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Alaska Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost Alaska's farm prices and income. Such exports help support about 3,000 jobs both on and off the farm in food processing, storage, and transportation. In 2003, Alaska's net farm income was $10.8 million, and agricultural exports were estimated at $0.9 million. Implementation of the Dominican Republic – Central American Free Trade Agreement (DR-CAFTA) will increase Alaska's exports of agricultural products.

Alaska Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including Alaska's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Beef – Providing 3% of the state's farm cash receipts ($1.4 million), Alaska cattle and calf producers benefit from the DR-CAFTA.

- Current import tariffs on United States beef exports are as high as 30%, and the WTO permits tariffs as high as 79%.
- Tariffs on the products most important to the United States beef industry – Prime and Choice cuts – will be eliminated immediately in Central American countries, while the Dominican Republic will establish a zero duty TRQ of 1,100 metric tons which expands annually as tariffs are eliminated. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- Some immediate duty-free access will be provided by certain countries on other beef cuts through an initial TRQ totaling 1,165 metric tons, expanding annually until tariffs are fully phased-out.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Alaska will increase meat (beef and pork) exports to the six countries by $0.002 million per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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Arizona Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost Arizona's farm prices and income. Such exports help support about 10,910 jobs both on and off the farm in food processing, storage, and transportation. In 2003, Arizona's net farm income was $1 billion, and agricultural exports were estimated at $476 million. Implementation of the Dominican Republic – Central American Free Trade Agreement (DR-CAFTA) will increase Arizona's exports of agricultural products.

Arizona Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including Arizona's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Beef – Providing over one-third of the state's farm cash receipts ($760 million), Arizona cattle and calf producers benefit from the DR-CAFTA.

- Current import tariffs on United States beef exports are as high as 30%, and the WTO permits tariffs as high as 79%.
- Tariffs on the products most important to the United States beef industry – Prime and Choice cuts – will be eliminated immediately in Central American countries, while the Dominican Republic will establish a zero duty TRQ of 1,100 metric tons which expands annually as tariffs are eliminated. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- Some immediate duty-free access will be provided by certain countries on other beef cuts through an initial TRQ totaling 1,165 metric tons, expanding annually until tariffs are fully phased-out.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Arizona will increase meat (beef and pork) exports to the six countries by $8 million per year by 2024.

Vegetables – Arizona vegetable growers and processors benefit from the FTA.

- With over $350 million in cash receipts, Arizona lettuce producers benefit from immediate duty elimination by Costa Rica, and phase-out in tariffs within 5 years by most other Central American countries and within 15 years in all other countries. Current tariffs on lettuce can reach 20% in DR-CAFTA countries, and under WTO rules, could rise to as high as 60%.
- The AFBF economic analysis of DR-CAFTA estimates that Arizona will increase vegetable exports to the six countries by $1 million per year by 2024.

Cotton – With farm cash receipts totaling $180 million, Arizona cotton farmers will benefit from the DR-CAFTA.

- Under the WTO, DR-CAFTA countries could raise tariffs on cotton to 35% to 60%, depending on the country.
- The DR-CAFTA will lock-in immediately zero tariffs for markets worth over $55 million to United States cotton suppliers.
- The AFBF economic analysis of DR-CAFTA estimates that Arizona will increase cotton exports to the six countries by $0.8 million per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Estimated Trade Impact of DR-CAFTA on Arizona for Selected Commodities

(Values in Million Dollars)

	1999-2001 AZ Exports		2024 Imports from AZ		DR-CAFTA
			Without	**With**	
Commodity	Total	DR-CAFTA	DR-CAFTA	DR-CAFTA	Difference
Dairy	10.97	0.22	0.35	1.02	0.67
Cotton	76.80	1.54	2.61	3.39	0.78
Feed Grains	6.36	0.13	0.24	0.27	0.02
Fruits	37.49	0.75	1.65	2.31	0.66
Meats	55.30	1.11	6.42	14.76	8.34
Poultry	0.00	0.00	0.00	0.00	0.00
Soybean & Products	0.00	0.00	0.00	0.00	0.00
Sugar	N/A	N/A	N/A	N/A	0.00
Rice	0.00	0.00	0.00	0.00	0.00
Vegetables	74.59	1.49	3.28	4.59	1.31
Wheat	32.93	0.66	1.19	1.54	0.36
Total	294.44	5.89	15.74	27.88	**12.14**

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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Arkansas Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost Arkansas's farm prices and income. Such exports help support about 22,120 jobs both on and off the farm in food processing, storage, and transportation. In 2003, Arkansas's farm cash receipts were $5.3 billion, and agricultural exports were estimated at $1.4 billion, putting its reliance on agricultural exports at 27%. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase Arkansas's exports of agricultural products.

Arkansas Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including Arkansas's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Poultry – With over $2.5 billion in total sales and ranked 2nd in national exports, Arkansas poultry producers benefit from the FTA.

- United States poultry exporters currently face tariffs as high as 164% on both fresh and frozen products and the WTO permits tariffs as high as 250%.
- Each DR-CAFTA country will provide immediate duty-free access on chicken leg quarters, a product where the United States is the world's most competitive exporter, through country-specific TRQs that expand annually as tariffs are eliminated in 17 to 20 years. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- Costa Rica and the Dominican Republic will establish duty-free TRQs for chicken leg quarters totaling 850 metric tons, each expanding by 10% annually. The other four Central American countries will establish a total regional duty-free TRQ of 21,810 metric tons (with individual country minimum quota levels). After year 12, the TRQ quantity will be no less than 5% of regional chicken production.
- Duties on poultry products such as wings, breast meat and mechanically de-boned poultry meat will be reduced more quickly, with many eliminated within 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Arkansas will increase poultry exports to the six countries by $55 million per year by 2024.

Soybeans and Products – As the 2nd largest source of farm cash receipts and agricultural exports in the state, Arkansas soybean farmers benefit from the FTA.

- Central American and Dominican import tariffs range from zero to 20%, and the WTO permits tariffs as high 90%.
- DR-CAFTA countries will provide immediate duty-free access for soybeans. Duties on soybean meal and flour will be eliminated immediately in most DR-CAFTA countries.

- Most DR-CAFTA countries will immediately eliminate tariffs on crude soybean oil, and the current tariffs on refined soybean oil phased out over 12 to 15 years.
- The AFBF economic analysis of DR-CAFTA estimates that Arkansas will increase soybeans and products exports to the six countries by $2 million per year by 2024.

Rice – As the #1 state agricultural export and the 3rd largest source of farm cash receipts in the state, Arkansas rice producers benefit from the FTA.

- United States rice exports face DR-CAFTA tariffs up to 60%, and the WTO permits tariffs as high as 90%.
- Each DR-CAFTA country will establish zero duty TRQs for milled rice, and rough rice in all except the Dominican Republic (which will have a TRQ for brown rice).
- In the first year of the FTA, the TRQ access will total over 400,000 metric tons immediately and will grow through the tariff phase-out period.
- The AFBF economic analysis of DR-CAFTA estimates that Arkansas will increase rice exports to the six countries by $8 million per year by 2024.

Cotton – As 4th largest source of farm cash receipts in the state and the nation's 4th largest exporter, Arkansas cotton farmers benefit from zero tariffs that the FTA locks-in immediately for markets worth over $73.1 million to United States cotton suppliers

- Under the WTO, DR-CAFTA countries could raise tariffs on cotton to 35 to 60%, depending on the country.
- The AFBF economic analysis of DR-CAFTA estimates that Arkansas will increase cotton exports to the six countries by $1 million per year by 2024.

Beef – Arkansas cattle and calve operators, with cash receipts of nearly $500 million, benefit from the FTA.

- Current import tariffs on United States beef exports are as high as 30%, and the WTO permits tariffs as high as 79%.
- Duties on the products most important to the United States beef industry – Prime and Choice cuts – will be eliminated immediately in Central American countries, while the Dominican Republic will establish a zero duty TRQ of 1,100 metric tons which expands annually as tariffs are eliminated.
- Some immediate duty-free access will be provided by certain countries on other beef cuts through an initial TRQ totaling 1,165 metric tons, expanding annually until tariffs are fully phased-out.
- Duties currently applied to other beef products and beef offals will be phased-out in 5 to 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Arkansas will increase meat exports (beef and pork) to the six countries by $1 million per year by 2024.

One line of the USTR's Trade Fact Sheet describing the agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Estimated Trade Impact of DR-CAFTA on Arkansas for Selected Commodities
(Values in Million Dollars)

Commodity	1999-2001 AR Exports Total	1999-2001 AR Exports DR-CAFTA	2024 Imports from AR **Without** DR-CAFTA	2024 Imports from AR **With** DR-CAFTA	DR-CAFTA Difference
Dairy	2.77	0.06	0.09	0.26	0.17
Cotton	139.10	2.78	4.73	6.15	1.42
Feed Grains	21.13	0.42	0.80	0.88	0.08
Fruits	1.49	0.03	0.07	0.09	0.03
Meats	5.48	0.11	0.64	1.46	0.83
Poultry	264.46	5.29	34.38	89.39	55.01
Soybean & Products	210.66	4.21	8.85	10.62	1.77
Sugar	N/A	N/A	N/A	N/A	0.00
Rice	450.45	9.01	20.72	29.01	8.29
Vegetables	1.37	0.03	0.06	0.08	0.02
Wheat	76.00	1.52	2.74	3.56	0.82
Total	1,172.91	23.46	73.07	141.50	**68.43**

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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California Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost California's farm prices and income. Such exports help support about 129,560 jobs both on and off the farm in food processing, storage, and transportation. In 2003, California's farm cash receipts were $27.8 billion, and agricultural exports were estimated at $8.2 billion, putting its reliance on agricultural exports at 30%. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase California's exports of agricultural products.

California Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including California's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Dairy – As the nation's largest producer and exporter of dairy products, with cash receipts of over $4 billion, California dairy producers benefit from the FTA.

- United States dairy exporters currently face tariffs as high as 60%, and the WTO permits tariffs as high as 100%.
- Each country will establish duty-free TRQs for certain dairy products totaling over 10,000 metric tons across the six countries – and each will receive the same level of TRQ access for dairy products entering the United States. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- TRQs will grow by 5% per year for the Central American countries and 10% per year for the Dominican Republic, with certain dairy products subject to safeguards during the phase-out period.
- All Central American and Dominican tariffs will be eliminated within 20 years, with tariffs on some dairy products eliminated earlier.
- The AFBF economic analysis of DR-CAFTA estimates that California will increase dairy exports to the six countries by $12 million per year by 2024.

Fruits – As the nation's leading exporter of fruits and preparations, California fruit producers benefit from the FTA.

- As the state's 3rd largest source of farm cash receipts, California grape producers and processors benefit from the immediate elimination of tariffs on grapes and raisins by all DR-CAFTA countries. Current tariffs on grapes can reach 20% in DR-CAFTA countries, and under WTO rules, could rise to as high as 135%.
- With nearly $250 million in cash receipts, California peach producers and processors benefit from the immediate duty elimination by all DR-CAFTA countries on fresh and canned peaches. California pear producers also benefit from similar duty-free access immediately on fresh and canned pears. Current tariffs on these products can reach 20% in DR-CAFTA countries, and under WTO rules, could rise to as high as 138%.

- The AFBF economic analysis of DR-CAFTA estimates that California will increase fruit exports to the six countries by $29 million per year by 2024.

Vegetables – As the nation's leader in exports and value of sales, California vegetable growers and processors benefit from the FTA.
- With over $1.7 billion in cash receipts, California lettuce producers benefit from immediate duty elimination by Costa Rica, and phase-out in tariffs within 5 years by most other Central American countries and within 15 years in all other countries. Current tariffs on lettuce can reach 20% in DR-CAFTA countries, and under WTO rules, could rise to as high as 60%.
- Providing over $900 million in state farm cash receipts, California tomato growers and processors benefit from the immediate elimination of tariffs by all Central American countries on the largest United States vegetable product export (tomato paste) to that region. Current tariffs on tomatoes and other tomato products can reach 25% in DR-CAFTA countries, and under WTO rules, could rise to as high as 60%. All tariffs in this sector will be eliminated within 15 years, and earlier in many cases.
- With cash receipts over $800 million, California broccoli and cauliflower producers benefit from elimination of tariffs by DR-CAFTA countries within 12 years, and earlier (5 or 10 years) in most cases. Current tariffs on these products can reach 20% in DR-CAFTA countries, and under WTO rules, could rise to as high as 60%.
- The AFBF economic analysis of DR-CAFTA estimates that California will increase vegetable exports to the six countries by $35 million per year by 2024.

Rice – As the nation's 2nd largest rice exporter, California rice producers benefit from the FTA.
- United States rice exports face DR-CAFTA tariffs up to 60%, and the WTO permits tariffs as high as 90%.
- Each DR-CAFTA country will establish zero duty TRQs for milled rice, and rough rice in all except the Dominican Republic (which will have a TRQ for brown rice).
- In the first year of the FTA, the TRQ access will total over 400,000 metric tons immediately and will grow through the tariff phase-out period.
- The AFBF economic analysis of DR-CAFTA estimates that California will increase rice exports to the six countries by $4 million per year by 2024.

Cotton – As the nation's 2nd largest cotton exporter, California's cotton producers benefit from zero tariffs that the FTA locks-in immediately for markets worth over $73.1 million to United States cotton suppliers.
- Under WTO rules, DR-CAFTA countries could raise tariffs on cotton to 35 to 60%, depending on the country.
- The AFBF economic analysis of DR-CAFTA estimates that California will increase cotton exports to the six countries by $3 million per year by 2024.

Beef – With cash receipts of nearly $1.6 billion, California cattle and calve operators benefit from the FTA.
- Current import tariffs on United States beef exports are as high as 30%, and the WTO permits tariffs as high as 79%.
- Duties on the products most important to the United States beef industry – Prime and Choice cuts – will be eliminated immediately in Central American countries, while the Dominican Republic will establish a zero duty TRQ of 1,100 metric tons which expands annually as tariffs are eliminated.

- Some immediate duty-free access will be provided by certain countries on other beef cuts through an initial TRQ totaling 1,165 metric tons, expanding annually until tariffs are fully phased-out.
- Duties currently applied to other beef products and beef offals will be phased-out in 5 to 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that California will increase meat (beef and pork) exports to the six countries by $25 million per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Estimated Trade Impact of DR-CAFTA on California for Selected Commodities
(Values in Million Dollars)

	1999-2001 CA Exports		2024 Imports from CA		DR-CAFTA
			Without	**With**	
Commodity	Total	DR-CAFTA	DR-CAFTA	DR-CAFTA	Difference
Dairy	192.49	3.85	6.16	17.86	11.70
Cotton	298.77	5.98	10.16	13.21	3.05
Feed Grains	24.94	0.50	0.95	1.04	0.09
Fruits	1,636.95	32.74	72.03	100.84	28.81
Meats	169.34	3.39	19.64	45.18	25.54
Poultry	52.90	1.06	6.88	17.88	11.00
Soybean & Products	0.00	0.00	0.00	0.00	0.00
Sugar	N/A	N/A	N/A	N/A	-2.42
Rice	193.12	3.86	8.88	12.44	3.55
Vegetables	1,997.46	39.95	87.89	123.04	35.16
Wheat	134.34	2.69	4.84	6.29	1.45
Total	4,700.30	94.01	217.42	337.77	**117.94**

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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Colorado Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost Colorado's farm prices and income. Such exports help support about 13,477 jobs both on and off the farm in food processing, storage, and transportation. In 2003, Colorado's farm cash receipts were $5 billion, and agricultural exports were estimated at $843 million, putting its reliance on agricultural exports at 17%. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase Colorado's exports of agricultural products.

Colorado Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including Colorado's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Beef – As the top of farm cash receipts at over $2.9 billion, Colorado cattle and calve operators benefit from the FTA.

- Current import tariffs on United States beef exports are as high as 30%, and the WTO permits tariffs as high as 79%.
- Duties on the products most important to the United States beef industry – Prime and Choice cuts – will be eliminated immediately in Central American countries, while the Dominican Republic will establish a zero duty TRQ of 1,100 metric tons which expands annually as tariffs are eliminated. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- Some immediate duty-free access will be provided by certain countries on other beef cuts through an initial TRQ totaling 1,165 metric tons, expanding annually until tariffs are fully phased-out.
- Duties currently applied to other beef products and beef offals will be phased-out in 5 to 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Colorado will increase meat (beef and pork) exports to the six countries by $45 million per year by 2024.

Pork – As the 5th largest source of state farm cash receipts, Colorado pork producers benefit from the duty-free access on pork cuts for each DR-CAFTA country.

- United States pork exporters currently face tariffs as high as 47%, and the WTO permits tariffs as high as 60%.
- The opportunity for trade created through the TRQs total 13,613 tons, expanding by 5 to 15% per year until tariffs are eliminated.

- Central American countries will immediately eliminate tariffs on bacon and some offal products, while the Dominican Republic will establish TRQs for bacon and fat that expand annually.
- All DR-CAFTA tariffs will be eliminated within 15 years and certain products will be subject to safeguards in some countries.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Colorado will increase meat (beef and pork) exports to the six countries by $45 million per year by 2024.

Corn – Providing the 4th largest source of farm cash receipts, Colorado corn producers benefit from the FTA.
- United States corn exporters face tariffs up to 35%, and the WTO permits tariffs as high as 75%.
- Costa Rica and the Dominican Republic will eliminate their duty on yellow corn immediately. The other countries will provide preferential access through individual duty-free TRQs totaling 1,151,259 metric tons initially, growing by 5% per year as the over-quota tariffs are phased out over 15 years (10 years in the case of Guatemala).
- All currently applied tariffs on corn products (including corn flour, corn gluten feed, corn oil and high fructose corn syrup) will be phased-out in 15 years.
- The AFBF economic analysis of DR-CAFTA estimates that Colorado will increase feed grain exports to the six countries by $0.5 million per year by 2024.

Wheat and Barley – Providing over $225 million in farm cash receipts, Colorado wheat and barley producers benefit from the FTA.
- United States grain suppliers will benefit from zero tariffs immediately on wheat and barley in all six countries, as well as on some processed grain products.
- The WTO generally permits tariffs up to 60%, but can exceed 100%.
- The AFBF economic analysis of DR-CAFTA estimates that Colorado will increase wheat exports to the six countries by $2 million per year by 2024.

Sugar – The 1% of Colorado farms engaged in sugar production will face no cuts in the over 100 % out-of-quota duty on United States sugar that currently protects domestic producers.
- The United States will establish TRQs for DR-CAFTA countries, starting at 107,000 metric tons. In the first year of implementation, increased market access in sugar will amount to about 1.2% of annual United States sugar consumption. This amount grows very slowly by 2% a year into perpetuity, so that by year 15 of FTA implementation the increased access on sugar (about 151,000 metric tons) amounts to about 1.7% of consumption. The United States will also establish a quota for specialty sugar goods of Costa Rica in the amount of 2,000 metric tons annually.
- Provisions will ensure only net surplus exporting countries in the region have access to the new access, and provisions have been agreed to allow alternative forms of compensation to be established to facilitate sugar stock management by the United States.
- The AFBF economic analysis of DR-CAFTA estimates that Colorado will lose $0.8 million from increased sugar imports from the six countries per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this

preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Estimated Trade Impact of DR-CAFTA on Colorado for Selected Commodities
(Values in Million Dollars)

	1999-2001 CO Exports		2024 Imports from CO		DR-CAFTA
			Without	**With**	
Commodity	Total	DR-CAFTA	DR-CAFTA	DR-CAFTA	Difference
Dairy	0.00	0.00	0.00	0.00	0.00
Cotton	0.00	0.00	0.00	0.00	0.00
Feed Grains	112.84	2.26	4.29	4.72	0.43
Fruits	2.14	0.04	0.09	0.13	0.04
Meats	296.05	5.92	34.34	78.98	44.64
Poultry	3.21	0.06	0.42	1.08	0.67
Soybean & Products	0.00	0.00	0.00	0.00	0.00
Sugar	N/A	N/A	N/A	N/A	-0.81
Rice	0.00	0.00	0.00	0.00	0.00
Vegetables	82.02	1.64	3.61	5.05	1.44
Wheat	153.64	3.07	5.53	7.19	1.66
Total	649.90	13.00	48.28	97.16	**48.07**

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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Connecticut Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost Connecticut's farm prices and income. Such exports help support about 6,850 jobs both on and off the farm in food processing, storage, and transportation. In 2003, Connecticut's net farm income was $93 million, and agricultural exports were estimated at $46 million. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase Connecticut's exports of agricultural products.

Connecticut Benefits From the DR-CAFTA

Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including Pennsylvania's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Dairy – With farm cash receipts of $56 million, Connecticut benefits from the DR-CAFTA.

- United States dairy exporters currently face tariffs as high as 60%, and the WTO permits tariffs as high as 100%.
- Each country will establish duty-free TRQs for certain dairy products totaling over 10,000 metric tons across the six countries – and each will receive the same level of TRQ access for dairy products entering the United States. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- TRQs will grow by 5% per year for the Central American countries and 10% per year for the Dominican Republic, with certain dairy products subject to safeguards during the phase-out period.
- All Central American and Dominican tariffs will be eliminated within 20 years, with tariffs on some dairy products eliminated earlier.
- The AFBF economic analysis of DR-CAFTA estimates that Connecticut will increase dairy exports to the six countries by $0.2 million per year by 2024.

Poultry – Connecticut poultry producers also benefit from the DR-CAFTA.

- United States poultry exporters currently face tariffs as high as 164% on both fresh and frozen products and the WTO permits tariffs as high as 250%.
- Each DR-CAFTA country will provide immediate duty-free access on chicken leg quarters through country-specific TRQs that expand annually as tariffs are eliminated in 17 to 20 years.
- Costa Rica and the Dominican Republic will establish duty-free TRQs for chicken leg quarters totaling 850 metric tons, each expanding by 10% annually. The other four Central American countries will establish a total regional duty-free TRQ of 21,810 metric tons (with individual country minimum quota levels). After year 12, the TRQ quantity will be no less than 5% of regional chicken production.
- Duties on poultry products such as wings, breast meat and mechanically de-boned poultry meat will be reduced more quickly, with many eliminated within 10 years.

- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Connecticut will increase poultry exports to the six countries by $0.6 million per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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Delaware Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost Delaware's farm prices and income. Such exports help support about 2,000 jobs both on and off the farm in food processing, storage, and transportation. In 2003, Delaware's net farm income was $156 million, and agricultural exports were estimated at $119 million. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase Delaware's exports of agricultural products.

Delaware Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including Pennsylvania's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Poultry – Delaware poultry producers also benefit from the DR-CAFTA.

- United States poultry exporters currently face tariffs as high as 164% on both fresh and frozen products and the WTO permits tariffs as high as 250%.
- Each DR-CAFTA country will provide immediate duty-free access on chicken leg quarters through country-specific TRQs that expand annually as tariffs are eliminated in 17 to 20 years. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- Costa Rica and the Dominican Republic will establish duty-free TRQs for chicken leg quarters totaling 850 metric tons, each expanding by 10% annually. The other four Central American countries will establish a total regional duty-free TRQ of 21,810 metric tons (with individual country minimum quota levels). After year 12, the TRQ quantity will be no less than 5% of regional chicken production.
- Duties on poultry products such as wings, breast meat and mechanically de-boned poultry meat will be reduced more quickly, with many eliminated within 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Delaware will increase poultry exports to the six countries by $12 million per year by 2024.

Vegetables – Delaware vegetable growers and processors also benefit from the DR-CAFTA.

- Under the WTO, DR-CAFTA countries could raise tariffs on cotton to 20% to 60%, depending on the country.
- The AFBF economic analysis of DR-CAFTA estimates that Delaware will increase vegetable exports to the six countries by $0.4 million per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this

preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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Florida Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost Florida's farm prices and income. Such exports help support about 20,540 jobs both on and off the farm in food processing, storage, and transportation. In 2003, Florida's farm cash receipts were $6.5 billion, and agricultural exports were estimated at $1.3 billion, putting its reliance on agricultural exports at 20%. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase Florida's exports of agricultural products.

Florida Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including Florida's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Fruits and Preparations – As the nation's 2nd largest exporter of fruit and fruit products, Florida fruit producers and processors benefit from the FTA.

- Florida's citrus growers, the source of nearly 30% of farm cash receipts, will benefit from the immediate elimination of tariffs on concentrated grapefruit juice by all DR-CAFTA countries and on frozen concentrated orange juice by all Central American countries.
- Current tariffs on citrus can reach 20% in DR-CAFTA countries, and under WTO rules, could rise to as high as 60%. All tariffs in this sector will be eliminated within 15 years, and earlier in many cases.
- The AFBF economic analysis of DR-CAFTA estimates that Florida will increase fruit exports to the six countries by $11 million per year by 2024.

Vegetables and Preparations – Ranking 2nd in the nation in value of sales and 7th in exports, Florida vegetable producers and processors benefit from the FTA.

- Providing the 4th largest source of state farm cash receipts, Florida tomato growers benefit from elimination of tariffs affecting the nearly $500,000 in United States exports of fresh tomatoes in recent years.
- Current tariffs on tomatoes can reach 15% in DR-CAFTA countries, and under WTO rules, could rise to as high as 60%. All tariffs in this sector will be eliminated within 15 years, and earlier in many cases.
- As the hotel, restaurant, and food service sectors in the region continue to expand, along with increasing consumer incomes and seasonal production considerations, the United States will be well-positioned under DR-CAFTA to service the rising demand for fresh tomatoes.
- The AFBF economic analysis of DR-CAFTA estimates that Florida will increase vegetable exports to the six countries by $2 million per year by 2024.

Beef – As the state's 5th largest source of farm cash receipts and 4th largest agricultural export sector, Florida cattle and calve operators benefit from the FTA.

- Current import tariffs on United States beef exports are as high as 30%, and the WTO permits tariffs as high as 79%.
- Duties on the products most important to the United States beef industry – Prime and Choice cuts – will be eliminated immediately in Central American countries, while the Dominican Republic will establish a zero duty TRQ of 1,100 metric tons which expands annually as tariffs are eliminated. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- Some immediate duty-free access will be provided by certain countries on other beef cuts through an initial TRQ totaling 1,165 metric tons, expanding annually until tariffs are fully phased-out.
- Duties currently applied to other beef products and beef offals will be phased-out in 5 to 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Florida will increase meat (beef and pork) exports to the six countries by $6 million per year by 2024.

Poultry – With nearly $200 million in farm cash receipts, Florida poultry producers benefit from the FTA.

- United States poultry exporters currently face tariffs as high as 164% on both fresh and frozen products, and the WTO permits tariffs as high as 250%.
- Each DR-CAFTA country will provide immediate duty-free access on chicken leg quarters, a product where the United States is the world's most competitive exporter, through country-specific TRQs that expand annually as tariffs are eliminated in 17 to 20 years.
- Costa Rica and the Dominican Republic will establish duty-free TRQs for chicken leg quarters totaling 850 metric tons, each expanding by 10% annually. The other four Central American countries will establish a total regional duty-free TRQ of 21,810 metric tons (with individual country minimum quota levels). After year 12, the TRQ quantity will be no less than 5% of regional chicken production.
- Duties on poultry products such as wings, breast meat and mechanically de-boned poultry meat will be reduced more quickly, with many eliminated within 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Florida will increase poultry exports to the six countries by $7 million per year by 2024.

Dairy – As the state's 6th largest source of farm cash receipts, Florida dairy operators benefit from the FTA.

- United States dairy exporters currently face tariffs as high as 60%, and the WTO permits tariffs as high as 100%.
- Each country will establish duty-free TRQs for certain dairy products totaling over 10,000 metric tons across the six countries – and each will receive the same level of TRQ access for dairy products entering the United States.
- TRQs will grow by 5% per year for the Central American countries and 10% per year for the Dominican Republic, with certain dairy products subject to safeguards during the phase-out period.
- All Central American and Dominican tariffs will be eliminated within 20 years, with tariffs on some dairy products eliminated earlier.

- The AFBF economic analysis of DR-CAFTA estimates that Florida will increase dairy exports to the six countries by $0.2 million per year by 2024.

Sugar – The 0.3% of Florida farms engaged in sugar production will face no cuts in the over 100% out-of-quota duty on United States sugar that currently protects domestic producers.

- The United States will establish TRQs for DR-CAFTA countries, starting at 107,000 metric tons. In the first year of implementation, increased market access in sugar will amount to about 1.2% of annual United States sugar consumption. This amount grows very slowly by 2% a year into perpetuity, so that by year 15 of FTA implementation the increased access on sugar (about 151,000 metric tons) amounts to about 1.7% of consumption. The United States will also establish a quota for specialty sugar goods of Costa Rica in the amount of 2,000 metric tons annually.
- Provisions will ensure only net surplus exporting countries in the region have access to the new access, and provisions have been agreed to allow alternative forms of compensation to be established to facilitate sugar stock management by the United States.
- The AFBF economic analysis of DR-CAFTA estimates that Florida will lose $20 million from increased sugar imports from the six countries per year by 2024.

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Estimated Trade Impact of DR-CAFTA on Florida for Selected Commodities
(Values in Million Dollars)

	1999-2001 FL Exports		2024 Imports from FL		DR-CAFTA
			Without	**With**	
Commodity	Total	DR-CAFTA	DR-CAFTA	DR-CAFTA	Difference
Dairy	3.37	0.07	0.11	0.31	0.21
Cotton	10.35	0.21	0.35	0.46	0.11
Feed Grains	1.86	0.04	0.07	0.08	0.01
Fruits	622.33	12.45	27.38	38.34	10.95
Meats	37.72	0.75	4.38	10.06	5.69
Poultry	33.94	0.68	4.41	11.47	7.06
Soybean & Products	1.29	0.03	0.05	0.06	0.01
Sugar	N/A	N/A	N/A	N/A	-20.13
Rice	0.00	0.00	0.00	0.00	0.00
Vegetables	139.73	2.79	6.15	8.61	2.46
Wheat	17.76	0.36	0.64	0.83	0.19
Total	868.36	17.37	43.54	70.22	**6.56**

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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Georgia Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost Georgia's farm prices and income. Such exports help support about 15,231 jobs both on and off the farm in food processing, storage, and transportation. In 2003, Georgia's farm cash receipts were $5.2 billion, and agricultural exports were estimated at $964 million, putting its reliance on agricultural exports at 18%. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase Georgia's exports of agricultural products.

Georgia Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including Georgia's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Poultry – Georgia, ranking first in national sales and exports of poultry products, benefits from the FTA United States poultry exporters currently face tariffs as high as 164% on both fresh and frozen products and the WTO permits tariffs as high as 250%.

- Each DR-CAFTA country will provide immediate duty-free access on chicken leg quarters, a product where the United States is the world's most competitive exporter, through TRQs that expand annually as tariffs are eliminated in 17 to 20 years. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- Costa Rica and the Dominican Republic will establish duty-free TRQs for chicken leg quarters totaling 850 metric tons, each expanding by 10% annually. The other four Central American countries will establish a total regional duty-free TRQ of 21,810 metric tons (with individual country minimum quota levels). After year 12, the TRQ quantity will be no less than 5% of regional chicken production.
- Duties on poultry products such as wings, breast meat and mechanically de-boned poultry meat will be reduced more quickly, with many eliminated within 10 years.
- DR-CAFTA countries commit to adopting a "systems approach" to the recognition of the United States poultry inspection system.
- The AFBF economic analysis of DR-CAFTA estimates that Georgia will increase poultry exports to the six countries by $56 million per year by 2024.

Cotton – Providing the 2nd largest source of farm cash receipts and the top state agricultural export, Georgia's cotton farmers benefit from zero tariffs that the FTA locks-in immediately for markets worth over $73.1 million to United States cotton suppliers.

- Under the WTO, DR-CAFTA countries could raise tariffs on cotton to 35 to 60%, depending on the country.
- The AFBF economic analysis of DR-CAFTA estimates that Georgia will increase cotton exports to the six countries by $1 million per year by 2024.

Beef – Providing the 5th largest source of farm cash receipts in the state, Georgia's cattle and calf operators benefit from the FTA.

- Current import tariffs on United States beef exports are as high as 30%, and under WTO rules DR-CAFTA countries may charge import tariffs up to 79%.
- Duties on the products most important to the United States beef industry – Prime and Choice cuts – will be eliminated immediately in Central American countries, while the Dominican Republic will establish a zero duty TRQ of 1,100 metric tons which expands annually as tariffs are eliminated.
- Some immediate duty-free access will be provided by certain countries on other beef cuts through an initial TRQ totaling 1,165 metric tons, expanding annually until tariffs are fully phased-out.
- Duties currently applied to other beef products and beef offals will be phased-out in 5 to 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems, and it is expected that this process will be brought to a favorable conclusion in the near future.
- The AFBF economic analysis of DR-CAFTA estimates that Georgia will increase meat (beef and pork) exports to the six countries by $7 million per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Estimated Trade Impact of DR-CAFTA on Georgia for Selected Commodities
(Values in Million Dollars)

	1999-2001 GA Exports		2024 Imports from GA		DR-CAFTA
Commodity	Total	DR-CAFTA	**Without** DR-CAFTA	**With** DR-CAFTA	Difference
Dairy	0.00	0.00	0.00	0.00	0.00
Cotton	162.98	3.26	5.54	7.20	1.66
Feed Grains	17.74	0.35	0.67	0.74	0.07
Fruits	10.75	0.22	0.47	0.66	0.19
Meats	46.14	0.92	5.35	12.31	6.96
Poultry	267.89	5.36	34.83	90.55	55.72
Soybean & Products	9.44	0.19	0.40	0.48	0.08
Sugar	N/A	N/A	N/A	N/A	0.00
Rice	0.00	0.00	0.00	0.00	0.00
Vegetables	31.87	0.64	1.40	1.96	0.56
Wheat	31.94	0.64	1.15	1.49	0.34
Total	578.75	11.57	49.81	115.40	**65.58**

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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Effects of DR-CAFTA on Hawaii Farmers

Exports of farm products help boost Hawaii's farm prices and income. Such exports help support about 3,600 jobs both on and off the farm in food processing, storage, and transportation. In 2003, Hawaii's net farm income was $122 million, and agricultural exports were estimated at $82 million. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase Hawaii's exports of agricultural products.

Hawaii Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including Hawaii's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Fruits and Preparations – As the nation's 8th largest exporter of fruit and fruit products, Hawaii fruit producers and processors benefit from the FTA.

- Current tariffs on citrus can reach 20% in DR-CAFTA countries, and under WTO rules, could rise to as high as 60%.
- All tariffs in this sector will be eliminated within 15 years, and earlier in many cases.
- The AFBF economic analysis of DR-CAFTA estimates that Hawaii will increase fruit exports to the six countries by $0.8 million per year by 2024.

Beef –Hawaii cattle and calf operators will also benefit from the DR-FTA.

- Current import tariffs on United States beef exports are as high as 30%, and the WTO permits tariffs as high as 79%.
- Duties on the products most important to the United States beef industry – Prime and Choice cuts – will be eliminated immediately in Central American countries, while the Dominican Republic will establish a zero duty TRQ of 1,100 metric tons which expands annually as tariffs are eliminated. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- Some immediate duty-free access will be provided by certain countries on other beef cuts through an initial TRQ totaling 1,165 metric tons, expanding annually until tariffs are fully phased-out.
- Duties currently applied to other beef products and beef offals will be phased-out in 5 to 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Hawaii will increase meat (beef and pork) exports to the six countries by $0.3 million per year by 2024.

Sugar – The Hawaii farms engaged in sugar production will face no cuts in the over 100% out-of-quota duty on United States sugar that currently protects domestic producers.

- The United States will establish TRQs for DR-CAFTA countries, starting at 107,000 metric tons. In the first year of implementation, increased market access in sugar will amount to about 1.2% of annual United States sugar consumption. This amount grows very slowly by 2% a year into perpetuity, so that by year 15 of FTA implementation the increased access on sugar (about 151,000 metric tons) amounts to about 1.7% of consumption. The United States will also establish a quota for specialty sugar goods of Costa Rica in the amount of 2,000 metric tons annually.
- Provisions will ensure only net surplus exporting countries in the region have access to the new access, and provisions have been agreed to allow alternative forms of compensation to be established to facilitate sugar stock management by the United States.
- The AFBF economic analysis of DR-CAFTA estimates that Hawaii will lose $2 million from increased sugar imports from the six countries per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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Idaho Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost Idaho's farm prices and income. Such exports help support about 13,383 jobs both on and off the farm in food processing, storage, and transportation. In 2003, Idaho's farm cash receipts were $3.9 billion, and agricultural exports were estimated at $847 million, putting its reliance on agricultural exports at 21%. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase Idaho's exports of agricultural products.

Idaho Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including Idaho's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Vegetables, Including Potatoes and Dried Beans – As the nation's 3rd largest exporter of vegetables and preparations with sales over $750 million, Idaho vegetable producers benefit from the FTA.

- With over $560 million in farm cash receipts, Idaho's potato producers benefit from immediate duty elimination on certain potato products, including frozen french fries, which will be duty-free immediately in most DR-CAFTA countries. All tariffs will be eliminated in 15 years, except for fresh potatoes in Costa Rica, where liberalization will occur through expanded TRQ access, with an initial quantity of 300 metric tons. Current tariffs in the DR-CAFTA countries are generally 15%, and the WTO permits tariffs as high as 60%. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- With over $43 million in farm cash receipts for dried beans and lentils, Idaho producers benefit from immediate duty-free access for some dried beans and lentils, and phase-out of other tariffs in 5 to 15 years. The Dominican Republic will provide a duty-free TRQ for mung, red, and kidney beans, of 8,560 metric tons, growing at a rate of 7%. All tariffs will be eliminated in 15 years. Currently, import tariffs in DR-CAFTA countries are as high as 89%, and the WTO permits tariffs as high as 110%.
- The AFBF economic analysis of DR-CAFTA estimates that Idaho will increase vegetable exports to the six countries by $5 million per year by 2024.

Beef – With cash receipts of $1.1 billion and accounting for 27% of the state's total, Idaho cattle and calve operators benefit from the FTA.

- Current import tariffs on United States beef exports are as high as 30%, and the WTO permits tariffs as high as 79%.
- Duties on the products most important to the United States beef industry – Prime and Choice cuts – will be eliminated immediately in Central American countries, while the

Dominican Republic will establish a zero duty TRQ of 1,100 metric tons which expands annually as tariffs are eliminated.

- Some immediate duty-free access will be provided by certain countries on other beef cuts through an initial TRQ totaling 1,165 metric tons, expanding annually until tariffs are fully phased-out.
- Duties currently applied to other beef products and beef offals will be phased-out in 5 to 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Idaho will increase meat (beef and pork) exports to the six countries by $13 million per year by 2024.

Wheat and Barley – As the nation's 8th largest exporter of wheat and products and with cash receipts from wheat and barley totaling $428 million, Idaho wheat and barley producers benefit from the FTA.

- United States grain suppliers will benefit from zero tariffs immediately on wheat and barley in all six countries, as well as on some processed grain products.
- The WTO generally permits tariffs up to 60%, but can exceed 100%.
- The AFBF economic analysis of DR-CAFTA estimates that Idaho will increase wheat exports to the six countries by $2 million per year by 2024.

Dairy – Idaho, the nation's 4th largest exporter of dairy products, with farm cash receipts of $1 billion, benefits from the FTA.

- United States dairy exporters currently face tariffs as high as 60%, and the WTO permits tariffs as high as 100%.
- Each country will establish duty-free TRQs for certain dairy products totaling over 10,000 metric tons across the six countries – and each will receive the same level of TRQ access for dairy products entering the United States.
- TRQs will grow by 5% per year for the Central American countries and 10% per year for the Dominican Republic, with certain dairy products subject to safeguards during the phase-out period.
- All Central American and Dominican tariffs will be eliminated within 20 years, with tariffs on some dairy products eliminated earlier.
- The AFBF economic analysis of DR-CAFTA estimates that Idaho will increase dairy exports to the six countries by $3 million per year by 2024.

Sugar – The 2.6% of Idaho farms engaged in sugar production will face no cuts in the over 100% out-of-quota duty on United States sugar that currently protects domestic producers.

- The United States will establish TRQs for DR-CAFTA countries, starting at 107,000 metric tons. In the first year of implementation, increased market access in sugar will amount to about 1.2% of annual United States sugar consumption. This amount grows very slowly by 2% a year into perpetuity, so that by year 15 of FTA implementation the increased access on sugar (about 151,000 metric tons) amounts to about 1.7% of consumption. The United States will also establish a quota for specialty sugar goods of Costa Rica in the amount of 2,000 metric tons annually.
- Provisions will ensure only net surplus exporting countries in the region have access to the new access, and provisions have been agreed to allow alternative forms of compensation to be established to facilitate sugar stock management by the United States.
- The AFBF economic analysis of DR-CAFTA estimates that Idaho will lose $8 million from increased sugar imports from the six countries per year by 2024.

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Estimated Trade Impact of DR-CAFTA on Idaho for Selected Commodities
(Values in Million Dollars)

	1999-2001 ID Exports		2024 Imports from ID		DR-CAFTA
Commodity	Total	DR-CAFTA	**Without** DR-CAFTA	**With** DR-CAFTA	Difference
Dairy	51.00	1.02	1.63	4.73	3.10
Cotton	0.00	0.00	0.00	0.00	0.00
Feed Grains	30.02	0.60	1.14	1.25	0.11
Fruits	7.59	0.15	0.33	0.47	0.13
Meats	88.75	1.78	10.30	23.68	13.38
Poultry	0.80	0.02	0.10	0.27	0.17
Soybean & Products	0.00	0.00	0.00	0.00	0.00
Sugar	N/A	N/A	N/A	N/A	-8.05
Rice	0.00	0.00	0.00	0.00	0.00
Vegetables	270.08	5.40	11.88	16.64	4.75
Wheat	152.77	3.06	5.50	7.15	1.65
Total	601.01	12.02	30.89	54.19	**15.25**

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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Illinois Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost Illinois' farm prices and income. Such exports help support about 53,720 jobs both on and off the farm in food processing, storage, and transportation. In 2003, Illinois' farm cash receipts were $8.3 billion, and agricultural exports were estimated at $3.4 billion, putting its reliance on agricultural exports at 41%. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase Illinois' exports of agricultural products.

Illinois Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including Illinois' key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Soybeans and Products – As the nation's 2nd largest exporter of soybeans and products with farm cash receipts of over $2.5 billion, Illinois soybean producers benefit from the FTA.

- Central American and Dominican import tariffs range from zero to 20%, and the WTO permits tariffs as high 90%.
- DR-CAFTA countries will provide immediate duty-free access for soybeans. Duties on soybean meal and flour will be eliminated immediately in most DR-CAFTA countries.
- Most DR-CAFTA countries will immediately eliminate tariffs on crude soybean oil, and the current tariffs on refined soybean oil phased out over 12 to 15 years.
- The AFBF economic analysis of DR-CAFTA estimates that Illinois will increase soybean and product exports to the six countries by $9 million per year by 2024.

Corn – As the top source of farm cash receipts at over $3.2 billion and the nation's 2nd largest exporter of feed grains, Illinois corn producers benefit from the FTA.

- United States corn exporters face tariffs up to 35%, and the WTO permits tariffs as high as 75%.
- Costa Rica and the Dominican Republic will eliminate their duty on yellow corn immediately. The other countries will provide preferential access through individual duty-free TRQs totaling 1,151,259 metric tons initially, growing by 5% per year as the over-quota tariffs are phased out over 15 years (10 years in the case of Guatemala). (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- All currently applied tariffs on corn products (including corn flour, corn gluten feed, corn oil and high fructose corn syrup) will be phased-out in 15 years.
- The AFBF economic analysis of DR-CAFTA estimates that Illinois will increase feed grain exports to the six countries by $4 million per year by 2024.

Pork – With hog production the state's 3rd leading source of farm cash receipts, Illinois pork producers benefit from the duty-free access on pork cuts for each DR-CAFTA country.

- United States pork exporters currently face tariffs as high as 47%, and the WTO permits tariffs as high as 60%.
- The opportunity for trade created through the TRQs total 13,613 tons, expanding by 5 to 15% per year until tariffs are eliminated.
- Central American countries will immediately eliminate tariffs on bacon and some offal products, while the Dominican Republic will establish TRQs for bacon and fat that expand annually.
- All DR-CAFTA tariffs will be eliminated within 15 years and certain products will be subject to safeguards in some countries.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Illinois will increase meat (beef and pork) exports to the six countries by $38 million per year by 2024.

Beef – Providing 4th largest source of farm cash receipts, Illinois cattle and calve operators benefit from the FTA.
- Current import tariffs on United States beef exports are as high as 30%, and the WTO permits tariffs as high as 79%.
- Duties on the products most important to the United States beef industry – Prime and Choice cuts – will be eliminated immediately in Central American countries, while the Dominican Republic will establish a zero duty TRQ of 1,100 metric tons which expands annually as tariffs are eliminated.
- Some immediate duty-free access will be provided by certain countries on other beef cuts through an initial TRQ totaling 1,165 metric tons, expanding annually until tariffs are fully phased-out.
- Duties currently applied to other beef products and beef offals will be phased-out in 5 to 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Illinois will increase meat (beef and pork) exports to the six countries by $38 million per year by 2024.

Wheat – As the 5th largest source of state agricultural exports, Illinois wheat producers benefit from the FTA.
- United States grain suppliers will benefit from zero tariffs immediately on wheat in all six countries, as well as on some processed grain products.
- The WTO generally permits tariffs up to 60%, but can exceed 100%.
- The AFBF economic analysis of DR-CAFTA estimates that Illinois will increase wheat exports to the six countries by $1 million per year by 2024.

Dairy – Providing the state's 6th leading source of farm cash receipts, Illinois dairy producers benefit from the FTA.
- United States dairy exporters currently face tariffs as high as 60%, and the WTO permits tariffs as high as 100%.
- Each country will establish duty-free TRQs for certain dairy products totaling over 10,000 metric tons across the six countries – and each will receive the same level of TRQ access for dairy products entering the United States.
- TRQs will grow by 5% per year for the Central American countries and 10% per year for the Dominican Republic, with certain dairy products subject to safeguards during the phase-out period.

- All Central American and Dominican tariffs will be eliminated within 20 years, with tariffs on some dairy products eliminated earlier.
- The AFBF economic analysis of DR-CAFTA estimates that Illinois will increase dairy exports to the six countries by $1 million per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Estimated Trade Impact of DR-CAFTA on Illinois for Selected Commodities

(Values in Million Dollars)

	1999-2001 IL Exports		2024 Imports from IL		DR-CAFTA
			Without	**With**	
Commodity	Total	DR-CAFTA	DR-CAFTA	DR-CAFTA	Difference
Dairy	14.33	0.29	0.46	1.33	0.87
Cotton	0.00	0.00	0.00	0.00	0.00
Feed Grains	960.04	19.20	36.48	40.13	3.65
Fruits	1.46	0.03	0.06	0.09	0.03
Meats	252.50	5.05	29.29	67.37	38.08
Poultry	5.50	0.11	0.71	1.86	1.14
Soybean & Products	1,116.49	22.33	46.89	56.27	9.38
Sugar	N/A	N/A	N/A	N/A	0.00
Rice	0.00	0.00	0.00	0.00	0.00
Vegetables	25.24	0.50	1.11	1.55	0.44
Wheat	116.72	2.33	4.20	5.46	1.26
Total	2,492.28	49.85	119.21	174.06	**54.85**

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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Indiana Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost Indiana's farm prices and income. Such exports help support about 25,280 jobs both on and off the farm in food processing, storage, and transportation. In 2003, Indiana's farm cash receipts were $5.2 billion, and agricultural exports were estimated at $1.6 billion, putting its reliance on agricultural exports at 31%. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase Indiana's exports of agricultural products.

Indiana Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including Indiana's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Corn – As the top source of farm cash receipts at nearly $1.5 billion, Indiana corn producers benefit from the DR-CAFTA.

- United States corn exporters face tariffs up to 35%, and the WTO permits tariffs as high as 75%.
- Costa Rica and the Dominican Republic will eliminate their duty on yellow corn immediately. The other countries will provide preferential access through individual duty-free TRQs totaling 1,151,259 metric tons initially, growing by 5% per year as the over-quota tariffs are phased out over 15 years (10 years in the case of Guatemala). (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- All currently applied tariffs on corn products (including corn flour, corn gluten feed, corn oil and high fructose corn syrup) will be phased-out in 15 years.
- The AFBF economic analysis of DR-CAFTA estimates that Indiana will increase feed grain exports to the six countries by $2 million per year by 2024.

Soybeans and Products – As the state's 2nd leading source of farm cash receipts and top agricultural export, Indiana soybean producers benefit from the FTA.

- Central American and Dominican import tariffs range from zero to 20%, and the WTO permits tariffs as high 90%.
- DR-CAFTA countries will provide immediate duty-free access for soybeans. Duties on soybean meal and flour will be eliminated immediately in most DR-CAFTA countries.
- Most DR-CAFTA countries will immediately eliminate tariffs on crude soybean oil, and the current tariffs on refined soybean oil phased out over 12 to 15 years.
- The AFBF economic analysis of DR-CAFTA estimates that Indiana will increase soybean and product exports to the six countries by $5 million per year by 2024.

Pork – With hog production the state's 3rd leading source of farm cash receipts, Indiana pork producers benefit from the duty-free access on pork cuts for each DR-CAFTA country.

- United States pork exporters currently face tariffs as high as 47%, and the WTO permits tariffs as high as 60%.
- The opportunity for trade created through the TRQs total 13,613 tons, expanding by 5 to 15% per year until tariffs are eliminated.
- Central American countries will immediately eliminate tariffs on bacon and some offal products, while the Dominican Republic will establish TRQs for bacon and fat that expand annually.
- All DR-CAFTA tariffs will be eliminated within 15 years and certain products will be subject to safeguards in some countries.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Indiana will increase meat (beef and pork) exports to the six countries by $15 million per year by 2024.

Beef – Providing nearly $225 million in farm cash receipts, Indiana cattle and calve operators benefit from the FTA.

- Current import tariffs on United States beef exports are as high as 30%, and the WTO permits tariffs as high as 79%.
- Duties on the products most important to the United States beef industry – Prime and Choice cuts – will be eliminated immediately in Central American countries, while the Dominican Republic will establish a zero duty TRQ of 1,100 metric tons which expands annually as tariffs are eliminated.
- Some immediate duty-free access will be provided by certain countries on other beef cuts through an initial TRQ totaling 1,165 metric tons, expanding annually until tariffs are fully phased-out.
- Duties currently applied to other beef products and beef offals will be phased-out in 5 to 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Indiana will increase meat (beef and pork) exports to the six countries by $15 million per year by 2024.

Dairy – Providing the state's 4th leading source of farm cash receipts, Indiana dairy producers benefit from the FTA.

- United States dairy exporters currently face tariffs as high as 60%, and the WTO permits tariffs as high as 100%.
- Each country will establish duty-free TRQs for certain dairy products totaling over 10,000 metric tons across the six countries – and each will receive the same level of TRQ access for dairy products entering the United States.
- TRQs will grow by 5% per year for the Central American countries and 10% per year for the Dominican Republic, with certain dairy products subject to safeguards during the phase-out period.
- All Central American and Dominican tariffs will be eliminated within 20 years, with tariffs on some dairy products eliminated earlier.
- The AFBF economic analysis of DR-CAFTA estimates that Indiana will increase dairy exports to the six countries by $1 million per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this

preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Estimated Trade Impact of DR-CAFTA on Indiana for Selected Commodities
(Values in Million Dollars)

	1999-2001 IN Exports		2024 Imports from IN		DR-CAFTA
			Without	**With**	
Commodity	Total	DR-CAFTA	DR-CAFTA	DR-CAFTA	Difference
Dairy	15.10	0.30	0.48	1.40	0.92
Cotton	0.00	0.00	0.00	0.00	0.00
Feed Grains	486.77	9.74	18.50	20.35	1.85
Fruits	5.82	0.12	0.26	0.36	0.10
Meats	97.73	1.95	11.34	26.07	14.74
Poultry	83.51	1.67	10.86	28.23	17.37
Soybean & Products	571.37	11.43	24.00	28.80	4.80
Sugar	N/A	N/A	N/A	N/A	0.00
Rice	0.00	0.00	0.00	0.00	0.00
Vegetables	4.59	0.09	0.20	0.28	0.08
Wheat	79.03	1.58	2.84	3.70	0.85
Total	1,343.91	26.88	68.47	109.18	**40.71**

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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Iowa Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost Iowa's farm prices and income. Such exports help support about 56,880 jobs both on and off the farm in food processing, storage, and transportation. In 2003, Iowa's farm cash receipts were $12.6 billion, and agricultural exports were estimated at $3.6 billion, putting its reliance on agricultural exports at 29%. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase Iowa's exports of agricultural products.

Iowa Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including Iowa's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Corn – As the nation's top exporter of corn, with farm cash receipts of over $3.7 billion, Iowa corn producers benefit from the FTA.

- United States corn exporters face tariffs up to 35%, and the WTO permits tariffs as high as 75%.
- Costa Rica and the Dominican Republic will eliminate their duty on yellow corn immediately. The other countries will provide preferential access through individual duty-free TRQs totaling 1,151,259 metric tons initially, growing by 5% per year as the over-quota tariffs are phased out over 15 years (10 years in the case of Guatemala). (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- All currently applied tariffs on corn products (including corn flour, corn gluten feed, corn oil and high fructose corn syrup) will be phased-out in 15 years.
- The AFBF economic analysis of DR-CAFTA estimates that Iowa will increase feed grains exports to the six countries by $4 million per year by 2024.

Soybeans and Products – As the nation's top exporter of soybeans and products, Iowa soybean producers benefits from the FTA.

- Central American and Dominican import tariffs range from zero to 20%, and the WTO permits tariffs as high 90%.
- DR-CAFTA countries will provide immediate duty-free access for soybeans. Duties on soybean meal and flour will be eliminated immediately in most DR-CAFTA countries.
- Most DR-CAFTA countries will immediately eliminate tariffs on crude soybean oil, and the current tariffs on refined soybean oil phased out over 12 to 15 years.
- The AFBF economic analysis of DR-CAFTA estimates that Iowa will increase soybean and product exports to the six countries by $10 million per year by 2024.

Pork – Providing the 2nd largest source of state farm cash receipts at over $2.6 billion, Iowa pork producers benefit from the duty-free access on pork cuts for each DR-CAFTA country.

- United States pork exporters currently face tariffs as high as 47%, and the WTO permits tariffs as high as 60%.
- The opportunity for trade created through the TRQs total 13,613 tons, expanding by 5 to 15% per year until tariffs are eliminated.
- Central American countries will immediately eliminate tariffs on bacon and some offal products, while the Dominican Republic will establish TRQs for bacon and fat that expand annually.
- All DR-CAFTA tariffs will be eliminated within 15 years and certain products will be subject to safeguards in some countries.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Iowa will increase meat (beef and pork) exports to the six countries by $80 million per year by 2024.

Beef – As the state's 4th largest source of cash receipts at over $2.3 billion, Iowa cattle and calve operators benefit from the FTA.

- Current import tariffs on United States beef exports are as high as 30%, and the WTO permits tariffs as high as 79%.
- Duties on the products most important to the United States beef industry – Prime and Choice cuts – will be eliminated immediately in Central American countries, while the Dominican Republic will establish a zero duty TRQ of 1,100 metric tons which expands annually as tariffs are eliminated.
- Some immediate duty-free access will be provided by certain countries on other beef cuts through an initial TRQ totaling 1,165 metric tons, expanding annually until tariffs are fully phased-out.
- Duties currently applied to other beef products and beef offals will be phased-out in 5 to 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Iowa will increase meat (beef and pork) exports to the six countries by $80 million per year by 2024.

Dairy – Providing the 5th largest source of state farm cash receipts, Iowa dairy producers benefit from the FTA.

- United States dairy exporters currently face tariffs as high as 60%, and the WTO permits tariffs as high as 100%.
- Each country will establish duty-free TRQs for certain dairy products totaling over 10,000 metric tons across the six countries – and each will receive the same level of TRQ access for dairy products entering the United States.
- TRQs will grow by 5% per year for the Central American countries and 10% per year for the Dominican Republic, with certain dairy products subject to safeguards during the phase-out period.
- All Central American and Dominican tariffs will be eliminated within 20 years, with tariffs on some dairy products eliminated earlier.
- The AFBF economic analysis of DR-CAFTA estimates that Iowa will increase dairy exports to the six countries by $2 million per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this

preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Estimated Trade Impact of DR-CAFTA on Iowa for Selected Commodities
(Values in Million Dollars)

Commodity	1999-2001 IA Exports Total	1999-2001 IA Exports DR-CAFTA	2024 Imports from IA **Without** DR-CAFTA	2024 Imports from IA **With** DR-CAFTA	DR-CAFTA Difference
Dairy	29.32	0.59	0.94	2.72	1.78
Cotton	0.00	0.00	0.00	0.00	0.00
Feed Grains	1,075.31	21.51	40.86	44.95	4.09
Fruits	0.00	0.00	0.00	0.00	0.00
Meats	532.06	10.64	61.72	141.95	80.23
Poultry	25.62	0.51	3.33	8.66	5.33
Soybean & Products	1,175.72	23.51	49.38	59.26	9.88
Sugar	N/A	N/A	N/A	N/A	0.00
Rice	0.00	0.00	0.00	0.00	0.00
Vegetables	6.58	0.13	0.29	0.41	0.12
Wheat	13.09	0.26	0.47	0.61	0.14
Total	2,857.70	57.15	156.99	258.56	**101.57**

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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Kansas Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost Kansas' farm prices and income. Such exports help support about 47,400 jobs both on and off the farm in food processing, storage, and transportation. In 2003, Kansas' farm cash receipts were $9 billion, and agricultural exports were estimated at $3 billion, putting its reliance on agricultural exports at 33%. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase Kansas' exports of agricultural products.

Kansas Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including Kansas' key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Beef – As the nation's 2nd largest beef exporter and providing the state's single largest source of cash receipts at over $5.6 billion, Kansas cattle and calve operators benefit from the FTA.

- Current import tariffs on United States beef exports are as high as 30%, and the WTO permits tariffs as high as 79%.
- Duties on the products most important to the United States beef industry – Prime and Choice cuts – will be eliminated immediately in Central American countries, while the Dominican Republic will establish a zero duty TRQ of 1,100 metric tons which expands annually as tariffs are eliminated. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- Some immediate duty-free access will be provided by certain countries on other beef cuts through an initial TRQ totaling 1,165 metric tons, expanding annually until tariffs are fully phased-out.
- Duties currently applied to other beef products and beef offals will be phased-out in 5 to 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Kansas will increase meat (beef and pork) exports to the six countries by $130 million per year by 2024.

Pork – Providing state farm cash receipts of $252 million, Kansas pork producers benefit from the duty-free access on pork cuts for each DR-CAFTA country.

- United States pork exporters currently face tariffs as high as 47%, and the WTO permits tariffs as high as 60%.
- The opportunity for trade created through the TRQs total 13,613 tons, expanding by 5 to 15% per year until tariffs are eliminated.

- Central American countries will immediately eliminate tariffs on bacon and some offal products, while the Dominican Republic will establish TRQs for bacon and fat that expand annually.
- All DR-CAFTA tariffs will be eliminated within 15 years and certain products will be subject to safeguards in some countries.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Kansas will increase meat (beef and pork) exports to the six countries by $130 million per year by 2024.

Wheat – As the nation's top wheat exporter and with state farm cash receipts of $1.3 billion, Kansas wheat producers benefit from the FTA.

- United States grain suppliers will benefit from zero tariffs immediately on wheat in all six countries, as well as on some processed grain products.
- The WTO generally permits tariffs up to 60%, but can exceed 100%.
- The AFBF economic analysis of DR-CAFTA estimates that Kansas will increase wheat exports to the six countries by $8 million per year by 2024.

Corn – Providing the 3rd largest source of farm cash receipts at over $600 million, and as the nation's 6th largest exporter of feed grains, Kansas corn producers benefit from the FTA.

- United States corn exporters face tariffs up to 35%, and the WTO permits tariffs as high as 75%.
- Costa Rica and the Dominican Republic will eliminate their duty on yellow corn immediately. The other countries will provide preferential access through individual duty-free TRQs totaling 1,151,259 metric tons initially, growing by 5% per year as the over-quota tariffs are phased out over 15 years (10 years in the case of Guatemala).
- All currently applied tariffs on corn products (including corn flour, corn gluten feed, corn oil and high fructose corn syrup) will be phased-out in 15 years.
- The AFBF economic analysis of DR-CAFTA estimates that Kansas will increase feed grains exports to the six countries by $2 million per year by 2024.

Soybeans and Products – With soybeans the 4th leading source of state farm cashreceipts, Kansas soybean producers benefit from the FTA.

- Central American and Dominican import tariffs range from zero to 20%, and the WTO permits tariffs as high 90%.
- DR-CAFTA countries will provide immediate duty-free access for soybeans. Duties on soybean meal and flour will be eliminated immediately in most DR-CAFTA countries.
- Most DR-CAFTA countries will immediately eliminate tariffs on crude soybean oil, and the current tariffs on refined soybean oil phased out over 12 to 15 years.
- The AFBF economic analysis of DR-CAFTA estimates that Kansas will increase soybean and product exports to the six countries by $1 million per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Estimated Trade Impact of DR-CAFTA on Kansas for Selected Commodities
(Values in Million Dollars)

Commodity	1999-2001 KS Exports Total	1999-2001 KS Exports DR-CAFTA	2024 Imports from KS **Without** DR-CAFTA	2024 Imports from KS **With** DR-CAFTA	DR-CAFTA Difference
Dairy	1.09	0.02	0.03	0.10	0.07
Cotton	2.01	0.04	0.07	0.09	0.02
Feed Grains	502.42	10.05	19.09	21.00	1.91
Fruits	0.03	0.00	0.00	0.00	0.00
Meats	862.68	17.25	100.07	230.16	130.09
Poultry	1.23	0.02	0.16	0.42	0.26
Soybean & Products	168.42	3.37	7.07	8.49	1.41
Sugar	N/A	N/A	N/A	N/A	0.00
Rice	0.00	0.00	0.00	0.00	0.00
Vegetables	2.72	0.05	0.12	0.17	0.05
Wheat	724.95	14.50	26.10	33.93	7.83
Total	2,265.54	45.31	152.72	294.35	**141.64**

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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Kentucky Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost Kentucky's farm prices and income. Such exports help support about 15,009 jobs both on and off the farm in food processing, storage, and transportation. In 2003, Kentucky's farm cash receipts were $3.5 billion, and agricultural exports were estimated at $981 million, putting its reliance on agricultural exports at 28%. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase Kentucky's exports of agricultural products.

Kentucky Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including Kentucky's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Beef – Providing the 2nd largest source of farm cash receipts and state agricultural exports, Kentucky cattle and calve operators benefit from the FTA.

- Current import tariffs on United States beef exports are as high as 30%, and the WTO permits tariffs as high as 79%.
- Duties on the products most important to the United States beef industry – Prime and Choice cuts – will be eliminated immediately in Central American countries, while the Dominican Republic will establish a zero duty TRQ of 1,100 metric tons which expands annually as tariffs are eliminated. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- Some immediate duty-free access will be provided by certain countries on other beef cuts through an initial TRQ totaling 1,165 metric tons, expanding annually until tariffs are fully phased-out.
- Duties currently applied to other beef products and beef offals will be phased-out in 5 to 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Kentucky will increase meat (beef and pork) exports to the six countries by $26 million per year by 2024.

Poultry – Providing the 3rd largest source of farm cash receipts, Kentucky poultry producers and processors benefit from the FTA.

- United States poultry exporters currently face tariffs as high as 164% on both fresh and frozen products, and the WTO permits tariffs as high as 250%.
- Each DR-CAFTA country will provide immediate duty-free access on chicken leg quarters, a product where the United States is the world's most competitive exporter, through country-specific TRQs that expand annually as tariffs are eliminated in 17 to 20 years.

- Costa Rica and the Dominican Republic will establish duty-free TRQs for chicken leg quarters totaling 850 metric tons, each expanding by 10% annually. The other four Central American countries will establish a total regional duty-free TRQ of 21,810 metric tons (with individual country minimum quota levels). After year 12, the TRQ quantity will be no less than 5% of regional chicken production.
- Duties on poultry products such as wings, breast meat and mechanically de-boned poultry meat will be reduced more quickly, with many eliminated within 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Kentucky will increase poultry exports to the six countries by $9 million per year by 2024.

Soybeans and Products – Providing the 3rd largest source of state agricultural exports and the 5th largest source of farm cash receipts, Kentucky soybean producers will benefit from the FTA.
- Central American and Dominican import tariffs range from zero to 20%, and the WTO permits tariffs as high 90%.
- DR-CAFTA countries will provide immediate duty-free access for soybeans. Duties on soybean meal and flour will be eliminated immediately in most DR-CAFTA countries.
- Most DR-CAFTA countries will immediately eliminate tariffs on crude soybean oil, and the current tariffs on refined soybean oil phased out over 12 to 15 years.
- The AFBF economic analysis of DR-CAFTA estimates that Kentucky will increase soybean and product exports to the six countries by $0.7 million per year by 2024.

Corn – Providing the 5th largest source of agricultural exports and nearly $260 million in farm cash receipts, Kentucky corn producers benefit from the FTA.
- United States corn exporters face tariffs up to 35%, and the WTO permits tariffs as high as 75%.
- Costa Rica and the Dominican Republic will eliminate their duty on yellow corn immediately. The other countries will provide preferential access through individual duty-free TRQs totaling 1,151,259 metric tons initially, growing by 5% per year as the over-quota tariffs are phased out over 15 years (10 years in the case of Guatemala).
- All currently applied tariffs on corn products (including corn flour, corn gluten feed, corn oil and high fructose corn syrup) will be phased-out in 15 years.
- The AFBF economic analysis of DR-CAFTA estimates that Kentucky will increase meat (beef and pork) exports to the six countries by $0.3 million per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Estimated Trade Impact of DR-CAFTA on Kentucky for Selected Commodities
(Values in Million Dollars)

	1999-2001 KY Exports		2024 Imports from KY		DR-CAFTA
			Without	**With**	
Commodity	Total	DR-CAFTA	DR-CAFTA	DR-CAFTA	Difference
Dairy	1.66	0.03	0.05	0.15	0.10
Cotton	0.00	0.00	0.00	0.00	0.00
Feed Grains	89.70	1.79	3.41	3.75	0.34
Fruits	0.59	0.01	0.03	0.04	0.01
Meats	174.61	3.49	20.26	46.59	26.33
Poultry	43.64	0.87	5.67	14.75	9.08
Soybean & Products	86.12	1.72	3.62	4.34	0.72
Sugar	N/A	N/A	N/A	N/A	0.00
Rice	0.00	0.00	0.00	0.00	0.00
Vegetables	0.00	0.00	0.00	0.00	0.00
Wheat	63.87	1.28	2.30	2.99	0.69
Total	460.20	9.20	35.33	72.61	**37.27**

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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Effects of DR-CAFTA on Louisiana Farmers

Exports of farm products help boost Louisiana's farm prices and income. Such exports help support about 7,679 jobs both on and off the farm in food processing, storage, and transportation. In 2003, Louisiana's farm cash receipts were $2 billion, and agricultural exports were estimated at $486 million, putting its reliance on agricultural exports at 24%. Implementation of the United States-Central America-Dominican Republic Free Trade Agreement (DR-CAFTA) will increase Louisiana's exports of agricultural products.

Louisiana Benefits From the United States- DR-CAFTA Free Trade Agreement (FTA)
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including Louisiana's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved. Over 50 agricultural industry and farm groups, including the American Farm Bureau support the FTA.

Rice – Louisiana, the nation's 3rd largest rice producer with eleven milling establishments, benefits under the FTA.

- United States rice exports face DR-CAFTA tariffs up to 60%, and the WTO permits tariffs as high as 90%.
- Each DR-CAFTA country will establish zero duty TRQs for milled rice, and rough rice in all except the Dominican Republic (which will have a TRQ for brown rice). (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- In the first year of the FTA, the TRQ access will total over 400,000 metric tons immediately and will grow through the tariff phase-out period.
- The AFBF economic analysis of DR-CAFTA estimates that Louisiana will increase rice exports to the six countries by $3 million per year by 2024.

Cotton – With cotton sales ranked 8th nationally, Louisiana benefits from zero tariffs that the FTA locks-in immediately for markets worth over $73.1 million to United States cotton suppliers.

- Under the WTO, DR-CAFTA countries could raise tariffs on cotton to 35 to 60%, depending on the country.
- The AFBF economic analysis of DR-CAFTA estimates that Louisiana will increase cotton exports to the six countries by $1 million per year by 2024.

Beef – Providing the 3rd largest source of cash receipts in the state, Louisiana cattle and calf operators benefit from the FTA.

- Current import tariffs on United States beef exports are as high as 30%, and the WTO permits tariffs as high as 79%.
- Duties on the products most important to the United States beef industry – Prime and Choice cuts – will be eliminated immediately in Central American countries, while the

Dominican Republic will establish a zero duty TRQ of 1,100 metric tons which expands annually as tariffs are eliminated.
- Some immediate duty-free access will be provided by certain countries on other beef cuts through an initial TRQ totaling 1,165 metric tons, expanding annually until tariffs are fully phased-out.
- Duties currently applied to other beef products and beef offals will be phased-out in 5 to 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Louisiana will increase meat (beef and pork) exports to the six countries by $0.5 million per year by 2024.

Corn – With nearly 500,000 acres planted in corn, Louisiana benefits from the FTA.
- United States corn exporters face tariffs up to 35%, and the WTO permits tariffs as high as 75%.
- Costa Rica and the Dominican Republic will eliminate their duty on yellow corn immediately. The other countries will provide preferential access through individual duty-free TRQs totaling 1,151,259 metric tons initially, growing by 5% per year as the over-quota tariffs are phased out over 15 years (10 years in the case of Guatemala).
- All currently applied tariffs on corn products (including corn flour, corn gluten feed, corn oil and high fructose corn syrup) will be phased-out in 15 years.
- The AFBF economic analysis of DR-CAFTA estimates that Louisiana will increase feed grain exports to the six countries by $0.2 million per year by 2024.

Soybeans and Products – As the 3rd largest export and 5th largest source of farm cash receipts in the state, Louisiana soybean producers benefit from the FTA.
- Central American and Dominican import tariffs range from zero to 20%, and the WTO permits tariffs as high 90%.
- DR-CAFTA countries will provide immediate duty-free access for soybeans. Duties on soybean meal and flour will be eliminated immediately in most DR-CAFTA countries.
- Most DR-CAFTA countries will immediately eliminate tariffs on crude soybean oil, and the current tariffs on refined soybean oil phased out over 12 to 15 years.
- The AFBF economic analysis of DR-CAFTA estimates that Louisiana will increase soybean and product exports to the six countries by $0.5 million per year by 2024.

Sugar – The 2.4% of Louisiana farms engaged in sugar production will face no cuts in the over 100% out-of-quota duty on United States sugar that currently protects domestic producers.
- The United States will establish TRQs for DR-CAFTA countries, starting at 107,000 metric tons. In the first year of implementation, increased market access in sugar will amount to about 1.2% of annual United States sugar consumption. This amount grows very slowly by 2% a year into perpetuity, so that by year 15 of FTA implementation the increased access on sugar (about 151,000 metric tons) amounts to about 1.7% of consumption. The United States will also establish a quota for specialty sugar goods of Costa Rica in the amount of 2,000 metric tons annually.
- Provisions will ensure only net surplus exporting countries in the region have access to the new access, and provisions have been agreed to allow alternative forms of compensation to be established to facilitate sugar stock management by the United States.
- The AFBF economic analysis of DR-CAFTA estimates that Louisiana will lose $13 million from increased sugar imports from the six countries per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Estimated Trade Impact of DR-CAFTA on Louisiana for Selected Commodities

(Values in Million Dollars)

	1999-2001 LA Exports		2024 Imports from LA		DR-CAFTA
			Without	**With**	
Commodity	Total	DR-CAFTA	DR-CAFTA	DR-CAFTA	Difference
Dairy	0.00	0.00	0.00	0.00	0.00
Cotton	84.51	1.69	2.87	3.74	0.86
Feed Grains	41.81	0.84	1.59	1.75	0.16
Fruits	1.10	0.02	0.05	0.07	0.02
Meats	2.88	0.06	0.33	0.77	0.43
Poultry	1.67	0.03	0.22	0.57	0.35
Soybean & Products	56.93	1.14	2.39	2.87	0.48
Sugar	N/A	N/A	N/A	N/A	-13.69
Rice	141.95	2.84	6.53	9.14	2.61
Vegetables	0.40	0.01	0.02	0.02	0.01
Wheat	20.42	0.41	0.74	0.96	0.22
Total	351.66	7.03	14.74	19.88	**-8.54**

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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Maine Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost Maine's farm prices and income. Such exports help support about 3,520 jobs both on and off the farm in food processing, storage, and transportation. In 2003, Maine's net farm income was $84 million, and agricultural exports were estimated at $58 million. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase Maine's exports of agricultural products.

Maine Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including Maine's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Fruits and Preparations – As the nation's 10th largest exporter of fruit and fruit products, Maine fruit producers and processors benefit from the FTA.

- Providing nearly $28 million in cash receipts, Maine blueberry producers benefit from immediate duty elimination on fresh and frozen blueberries by all DR-CAFTA countries except Cost Rica, that will phase-out its duty on fresh blueberries and cranberries within 5 years and the Dominican Republic that will phase-out its duty on frozen blueberries and cranberries in 15 years.
- Current tariffs on fruits can reach 20% in DR-CAFTA countries, and under WTO rules, could rise to as high as 60%.
- All tariffs in this sector will be eliminated within 15 years, and earlier in many cases.
- The AFBF economic analysis of DR-CAFTA estimates that Maine will increase fruit exports to the six countries by $0.4 million per year by 2024.

Vegetables, Including Potatoes – As the nation's 18th largest exporter of vegetables and preparations with sales over $24 million, Maine vegetable producers benefit from the FTA.

- With over $108 million in farm cash receipts, Maine's potato producers benefit from immediate duty elimination on certain potato products, including frozen french fries, which will be duty-free immediately in most DR-CAFTA countries.
- All tariffs will be eliminated in 15 years, except for fresh potatoes in Costa Rica, where liberalization will occur through expanded TRQ access, with an initial quantity of 300 metric tons. Current tariffs in the DR-CAFTA countries are generally 15%, and the WTO permits tariffs as high as 60%. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- The AFBF economic analysis of DR-CAFTA estimates that Maine will increase vegetable exports to the six countries by $0.5 million per year by 2024.

Poultry – Providing the largest source of farm cash receipts and the 4th largest source of agricultural exports in the state, Maine poultry producers benefit from the FTA.

- United States poultry exporters currently face tariffs as high as 164% on both fresh and frozen products and the WTO permits tariffs as high as 250%.
- Each DR-CAFTA country will provide immediate duty-free access on chicken leg quarters, a product where the United States is the world's most competitive exporter, through country-specific TRQs that expand annually as tariffs are eliminated in 17 to 20 years.
- Costa Rica and the Dominican Republic will establish duty-free TRQs for chicken leg quarters totaling 850 metric tons, each expanding by 10% annually. The other four Central American countries will establish a total regional duty-free TRQ of 21,810 metric tons (with individual country minimum quota levels). After year 12, the TRQ quantity will be no less than 5% of regional chicken production.
- Duties on poultry products such as wings, breast meat and mechanically de-boned poultry meat will be reduced more quickly, with many eliminated within 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Maine will increase poultry exports to the six countries by $1 million per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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Maryland Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost Maryland's farm prices and income. Such exports help support about 10,890 jobs both on and off the farm in food processing, storage, and transportation. In 2003, Maryland's net farm income was $327 million, and agricultural exports were estimated at $204 million. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase Maryland's exports of agricultural products.

Maryland Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including Maryland's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Poultry – With over $495 million in total sales and ranked 16th in national exports, Maryland poultry producers benefit from the FTA.

- United States poultry exporters currently face tariffs as high as 164% on both fresh and frozen products and the WTO permits tariffs as high as 250%.
- Each DR-CAFTA country will provide immediate duty-free access on chicken leg quarters, a product where the United States is the world's most competitive exporter, through country-specific TRQs that expand annually as tariffs are eliminated in 17 to 20 years. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- Costa Rica and the Dominican Republic will establish duty-free TRQs for chicken leg quarters totaling 850 metric tons, each expanding by 10% annually. The other four Central American countries will establish a total regional duty-free TRQ of 21,810 metric tons (with individual country minimum quota levels). After year 12, the TRQ quantity will be no less than 5% of regional chicken production.
- Duties on poultry products such as wings, breast meat and mechanically de-boned poultry meat will be reduced more quickly, with many eliminated within 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Maryland will increase poultry exports to the six countries by $12 million per year by 2024.

Beef –Maryland cattle and calf operators will also benefit from the DR-CAFTA.

- Current import tariffs on United States beef exports are as high as 30%, and the WTO permits tariffs as high as 79%.
- Duties on the products most important to the United States beef industry – Prime and Choice cuts – will be eliminated immediately in Central American countries, while the Dominican Republic will establish a zero duty TRQ of 1,100 metric tons which expands annually as tariffs are eliminated. (A TRQ, or tariff rate quota, is a two-leveled tariff

where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)

- Some immediate duty-free access will be provided by certain countries on other beef cuts through an initial TRQ totaling 1,165 metric tons, expanding annually until tariffs are fully phased-out.
- Duties currently applied to other beef products and beef offals will be phased-out in 5 to 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Maryland will increase meat (beef and pork) exports to the six countries by $1 million per year by 2024.

Dairy – With cash receipts of over $163 million, Maryland dairy producers benefit from the FTA.

- United States dairy exporters currently face tariffs as high as 60%, and the WTO permits tariffs as high as 100%.
- Each country will establish duty-free TRQs for certain dairy products totaling over 10,000 metric tons across the six countries – and each will receive the same level of TRQ access for dairy products entering the United States. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- TRQs will grow by 5% per year for the Central American countries and 10% per year for the Dominican Republic, with certain dairy products subject to safeguards during the phase-out period.
- All Central American and Dominican tariffs will be eliminated within 20 years, with tariffs on some dairy products eliminated earlier.
- The AFBF economic analysis of DR-CAFTA estimates that Maryland will increase dairy exports to the six countries by $0.4 million per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Estimated Trade Impact of DR-CAFTA on Maryland for Selected Commodities
(Values in Million Dollars)

	1999-2001 MD Exports		2024 Imports from MD		DR-CAFTA
			Without	**With**	
Commodity	Total	DR-CAFTA	DR-CAFTA	DR-CAFTA	Difference
Dairy	6.25	0.12	0.20	0.58	0.38
Cotton	0.00	0.00	0.00	0.00	0.00
Feed Grains	30.32	0.61	1.15	1.27	0.12
Fruits	2.11	0.04	0.09	0.13	0.04
Meats	6.81	0.14	0.79	1.82	1.03
Poultry	59.93	1.20	7.79	20.26	12.46
Soybean & Products	42.36	0.85	1.78	2.13	0.36
Sugar	N/A	N/A	N/A	N/A	0.00
Rice	0.00	0.00	0.00	0.00	0.00
Vegetables	18.46	0.37	0.81	1.14	0.32
Wheat	28.48	0.57	1.03	1.33	0.31
Total	194.71	3.89	13.64	28.65	**15.01**

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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Massachusetts Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost Massachusetts's farm prices and income. Such exports help support about 14,690 jobs both on and off the farm in food processing, storage, and transportation. In 2003, Massachusetts's net farm income was $40 million. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase Massachusetts's exports of agricultural products.

Massachusetts Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including Massachusetts's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Dairy – With cash receipts of over $43 million, Massachusetts dairy producers benefit from the FTA.

- United States dairy exporters currently face tariffs as high as 60%, and the WTO permits tariffs as high as 100%.
- Each country will establish duty-free TRQs for certain dairy products totaling over 10,000 metric tons across the six countries – and each will receive the same level of TRQ access for dairy products entering the United States. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- TRQs will grow by 5% per year for the Central American countries and 10% per year for the Dominican Republic, with certain dairy products subject to safeguards during the phase-out period.
- All Central American and Dominican tariffs will be eliminated within 20 years, with tariffs on some dairy products eliminated earlier.
- The AFBF economic analysis of DR-CAFTA estimates that Massachusetts will increase dairy exports to the six countries by $0.5 million per year by 2024.

Wheat – As the nation's 22nd largest exporter, Massachusetts wheat producers will also benefit from the DR-CAFTA.

- United States grain suppliers will benefit from zero tariffs immediately on wheat in all six countries, as well as on some processed grain products.
- The WTO generally permits tariffs up to 60%, but can exceed 100%.
- The AFBF economic analysis of DR-CAFTA estimates that Massachusetts will increase wheat exports to the six countries by $0.6 million per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this

preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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Michigan Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost Michigan's farm prices and income. Such exports help support about 13,300 jobs both on and off the farm in food processing, storage, and transportation. In 2003, Michigan's farm cash receipts were $3.8 billion, and agricultural exports were estimated at $842 million, putting its reliance on agricultural exports at 22%. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase Michigan's exports of agricultural products.

Michigan Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including Michigan's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Dairy – As the leading source of state farm cash receipts, Michigan dairy producers benefit from the FTA.

- United States dairy exporters currently face tariffs as high as 60%, and the WTO permits tariffs as high as 100%.
- Each country will establish duty-free TRQs for certain dairy products totaling over 10,000 metric tons across the six countries – and each will receive the same level of TRQ access for dairy products entering the United States. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- TRQs will grow by 5% per year for the Central American countries and 10% per year for the Dominican Republic, with certain dairy products subject to safeguards during the phase-out period.
- All Central American and Dominican tariffs will be eliminated within 20 years, with tariffs on some dairy products eliminated earlier.
- The AFBF economic analysis of DR-CAFTA estimates that Michigan will increase dairy exports to the six countries by $1 million per year by 2024.

Soybeans and Products – As the state's largest agricultural export with cash receipts of nearly $400 million, Michigan soybean producers benefit from the FTA.

- Central American and Dominican import tariffs range from zero to 20%, and the WTO permits tariffs as high 90%.
- DR-CAFTA countries will provide immediate duty-free access for soybeans. Duties on soybean meal and flour will be eliminated immediately in most DR-CAFTA countries.
- Most DR-CAFTA countries will immediately eliminate tariffs on crude soybean oil, and the current tariffs on refined soybean oil phased out over 12 to 15 years.
- The AFBF economic analysis of DR-CAFTA estimates that Michigan will increase soybean and product exports to the six countries by $2 million per year by 2024.

Corn – Providing the 3rd largest source of state farm cash receipts, Michigan corn producers benefit from the FTA.

- United States corn exporters face tariffs up to 35%, and the WTO permits tariffs as high as 75%.
- Costa Rica and the Dominican Republic will eliminate their duty on yellow corn immediately. The other countries will provide preferential access through individual duty-free TRQs totaling 1,151,259 metric tons initially, growing by 5% per year as the over-quota tariffs are phased out over 15 years (10 years in the case of Guatemala).
- All currently applied tariffs on corn products (including corn flour, corn gluten feed, corn oil and high fructose corn syrup) will be phased-out in 15 years.
- The AFBF economic analysis of DR-CAFTA estimates that Michigan will increase feed grain exports to the six countries by $1 million per year by 2024.

Vegetables, Including Dried Beans – As the nation's 8th largest agricultural exporter with farm cash receipts over $300 million, Michigan vegetable producers benefit from the FTA.

- With over $90 million in farm cash receipts, Michigan potato producers benefit from immediate duty elimination on certain potato products, including frozen french fries, which will be duty-free immediately in most DR-CAFTA countries. All tariffs will be eliminated in 15 years, except for fresh potatoes in Costa Rica, where liberalization will occur through expanded TRQ access, with an initial quantity of 300 metric tons. Current tariffs in the DR-CAFTA countries are generally 15%, and the WTO permits tariffs as high as 60%.
- With over $60 million in farm cash receipts, Michigan dried bean producers benefit from immediate duty-free access for some dried beans and phase-out of other tariffs in 5 to 15 years. The Dominican Republic will provide a duty-free TRQ for mung, red, and kidney beans, of 8,560 metric tons, growing at a rate of 7%. All tariffs will be eliminated in 15 years. Currently, import tariffs in DR-CAFTA countries are as high as 89%, and the WTO permits tariffs as high as 110%.
- The AFBF economic analysis of DR-CAFTA estimates that Michigan will increase vegetable exports to the six countries by $2 million per year by 2024.

Fruits – As the nation's 6th largest exporter, Michigan fruit producers and processors benefit from the FTA.

- With farm cash receipts totaling nearly $150 million, Michigan apple and cherry producers benefit from immediate duty elimination by all DR-CAFTA countries on apples and cherries. Current tariffs on these product can reach 25% in DR-CAFTA countries, and under WTO rules, could rise to as high as 60%
- With farm cash receipts over $60 million, Michigan blueberry producers benefit from immediate duty elimination by all DR-CAFTA countries except Cost Rica, that will phase-out its 15% duty within 5 years. Current tariffs on blueberries can reach 20% in DR-CAFTA countries, and under WTO rules, could rise to as high as 60%.
- The AFBF economic analysis of DR-CAFTA estimates that Michigan will increase fruit exports to the six countries by $2 million per year by 2024.

Beef – As the state's 5th largest agricultural exports and providing over $200 million in farm cash receipts, Michigan cattle and calve operators benefit from the FTA.

- Current import tariffs on United States beef exports are as high as 30%, and the WTO permits tariffs as high as 79%.
- Duties on the products most important to the United States beef industry – Prime and Choice cuts – will be eliminated immediately in Central American countries, while the

Dominican Republic will establish a zero duty TRQ of 1,100 metric tons which expands annually as tariffs are eliminated.

- Some immediate duty-free access will be provided by certain countries on other beef cuts through an initial TRQ totaling 1,165 metric tons, expanding annually until tariffs are fully phased-out.
- Duties currently applied to other beef products and beef offals will be phased-out in 5 to 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Michigan will increase meat (beef and pork) exports to the six countries by $8 million per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Estimated Trade Impact of DR-CAFTA on Michigan for Selected Commodities

(Values in Million Dollars)

	1999-2001 MI Exports		2024 Imports from MI		DR-CAFTA
			Without	**With**	
Commodity	Total	DR-CAFTA	DR-CAFTA	DR-CAFTA	Difference
Dairy	12.57	0.25	0.40	1.17	0.76
Cotton	0.00	0.00	0.00	0.00	0.00
Feed Grains	149.00	2.98	5.66	6.23	0.57
Fruits	88.00	1.76	3.87	5.42	1.55
Meats	50.55	1.01	5.86	13.49	7.62
Poultry	7.58	0.15	0.99	2.56	1.58
Soybean & Products	183.39	3.67	7.70	9.24	1.54
Sugar	N/A	N/A	N/A	N/A	-4.83
Rice	0.00	0.00	0.00	0.00	0.00
Vegetables	129.86	2.60	5.71	8.00	2.29
Wheat	45.40	0.91	1.63	2.12	0.49
Total	666.35	13.33	31.84	48.23	**11.56**

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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Minnesota Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost Minnesota's farm prices and income. Such exports help support about 41,080 jobs both on and off the farm in food processing, storage, and transportation. In 2003, Minnesota's farm cash receipts were $8.6 billion, and agricultural exports were estimated at $2.6 billion, putting its reliance on agricultural exports at 31%. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase Minnesota's exports of agricultural products.

Minnesota Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including Minnesota's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Soybeans and Products – As the nation's 3rd largest soybean exporter and the source of nearly 20% of total farm cash receipts, Minnesota soybean producers benefit from the FTA.

- Central American and Dominican import tariffs range from zero to 20%, and the WTO permits tariffs as high 90%.
- DR-CAFTA countries will provide immediate duty-free access for soybeans. Duties on soybean meal and flour will be eliminated immediately in most DR-CAFTA countries.
- Most DR-CAFTA countries will immediately eliminate tariffs on crude soybean oil, and the current tariffs on refined soybean oil phased out over 12 to 15 years.
- The AFBF economic analysis of DR-CAFTA estimates that Minnesota will increase soybean and product exports to the six countries by $6 million per year by 2024.

Corn – Providing the largest source of state farm cash receipts at nearly $1.7 billion, Minnesota corn producers benefit from the FTA.

- United States corn exporters face tariffs up to 35%, and the WTO permits tariffs as high as 75%.
- Costa Rica and the Dominican Republic will eliminate their duty on yellow corn immediately. The other countries will provide preferential access through individual duty-free TRQs totaling 1,151,259 metric tons initially, growing by 5% per year as the over-quota tariffs are phased out over 15 years (10 years in the case of Guatemala). (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- All currently applied tariffs on corn products (including corn flour, corn gluten feed, corn oil and high fructose corn syrup) will be phased-out in 15 years.
- The AFBF economic analysis of DR-CAFTA estimates that Minnesota will increase feed grain exports to the six countries by $2 million per year by 2024.

Dairy – With sales of dairy products ranked 5th in the nation and providing farm cash receipts over $1 billion, Minnesota dairy producers benefit from the FTA.

- United States dairy exporters currently face tariffs as high as 60%, and the WTO permits tariffs as high as 100%.
- Each country will establish duty-free TRQs for certain dairy products totaling over 10,000 metric tons across the six countries – and each will receive the same level of TRQ access for dairy products entering the United States.
- TRQs will grow by 5% per year for the Central American countries and 10% per year for the Dominican Republic, with certain dairy products subject to safeguards during the phase-out period.
- All Central American and Dominican tariffs will be eliminated within 20 years, with tariffs on some dairy products eliminated earlier.
- The AFBF economic analysis of DR-CAFTA estimates that Minnesota will increase dairy exports to the six countries by $5 million per year by 2024.

Pork – Ranked 3rd in the nation in sales, with farm cash receipts of $1.3 billion, Minnesota pork producers benefit from the duty-free access on pork cuts for each DR-CAFTA country.

- United States pork exporters currently face tariffs as high as 47%, and the WTO permits tariffs as high as 60%.
- The opportunity for trade created through the TRQs total 13,613 tons, expanding by 5 to 15% per year until tariffs are eliminated.
- Central American countries will immediately eliminate tariffs on bacon and some offal products, while the Dominican Republic will establish TRQs for bacon and fat that expand annually.
- All DR-CAFTA tariffs will be eliminated within 15 years and certain products will be subject to safeguards in some countries.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Minnesota will increase meat (beef and pork) exports to the six countries by $31 million per year by 2024.

Beef – With farm cash receipts of nearly $1 billion, Minnesota cattle and calf operators benefit from the FTA.

- Current import tariffs on United States beef exports are as high as 30%, and the WTO permits tariffs as high as 79%.
- Duties on the products most important to the United States beef industry – Prime and Choice cuts – will be eliminated immediately in Central American countries, while the Dominican Republic will establish a zero duty TRQ of 1,100 metric tons which expands annually as tariffs are eliminated.
- Some immediate duty-free access will be provided by certain countries on other beef cuts through an initial TRQ totaling 1,165 metric tons, expanding annually until tariffs are fully phased-out.
- Duties currently applied to other beef products and beef offals will be phased-out in 5 to 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Minnesota will increase meat (beef and pork) exports to the six countries by $31 million per year by 2024.

Wheat and Barley – As the nation's 7th largest wheat exporter, with farm cash receipts from wheat and barley of about $340 million, Minnesota wheat and barley producers benefit from the FTA.

- United States grain suppliers will benefit from zero tariffs immediately on wheat and barley in all six countries, as well as on some processed grain products.
- The WTO generally permits tariffs up to 60%, but can exceed 100%.
- The AFBF economic analysis of DR-CAFTA estimates that Minnesota will increase wheat exports to the six countries by $2 million per year by 2024.

Sugar – The 1.7% of Minnesota farms engaged in sugar production will face no cuts in the over 100% out-of-quota duty on United States sugar that currently protects domestic producers.

- The United States will establish TRQs for DR-CAFTA countries, starting at 107,000 metric tons. In the first year of implementation, increased market access in sugar will amount to about 1.2% of annual United States sugar consumption. This amount grows very slowly by 2% a year into perpetuity, so that by year 15 of FTA implementation the increased access on sugar (about 151,000 metric tons) amounts to about 1.7% of consumption. The United States will also establish a quota for specialty sugar goods of Costa Rica in the amount of 2,000 metric tons annually.
- Provisions will ensure only net surplus exporting countries in the region have access to the new access, and provisions have been agreed to allow alternative forms of compensation to be established to facilitate sugar stock management by the United States.
- The AFBF economic analysis of DR-CAFTA estimates that Minnesota will lose $13 million from increased sugar imports from the six countries per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Estimated Trade Impact of DR-CAFTA on Minnesota for Selected Commodities

(Values in Million Dollars)

	1999-2001 MN Exports		2024 Imports from MN		DR-CAFTA
Commodity	Total	DR-CAFTA	**Without** DR-CAFTA	**With** DR-CAFTA	Difference
Dairy	78.75	1.57	2.52	7.31	4.79
Cotton	0.00	0.00	0.00	0.00	0.00
Feed Grains	618.17	12.36	23.49	25.84	2.35
Fruits	0.00	0.00	0.00	0.00	0.00
Meats	205.03	4.10	23.78	54.70	30.92
Poultry	52.68	1.05	6.85	17.80	10.96
Soybean & Products	709.71	14.19	29.81	35.77	5.96
Sugar	N/A	N/A	N/A	N/A	-12.88
Rice	0.00	0.00	0.00	0.00	0.00
Vegetables	175.72	3.51	7.73	10.82	3.09
Wheat	197.86	3.96	7.12	9.26	2.14
Total	2,037.92	40.76	101.30	161.51	**47.32**

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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Mississippi Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost Mississippi's farm prices and income. Such exports help support about 7,690 jobs both on and off the farm in food processing, storage, and transportation. In 2003, Mississippi's farm cash receipts were $1.1 billion, and agricultural exports were estimated at $778 million. Implementation of the Dominican Republic – Central American Free Trade Agreement (DR-CAFTA) will increase Mississippi's exports of agricultural products.

Mississippi Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including Mississippi's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Poultry – Providing the largest source of state farm cash receipts at over $1 billion, Mississippi poultry producers will benefit from the DR-CAFTA.

- United States poultry exporters currently face tariffs as high as 164% on both fresh and frozen products and the WTO permits tariffs as high as 250%.
- Each DR-CAFTA country will provide immediate duty-free access on chicken leg quarters, a product where the United States is the world's most competitive exporter, through country-specific TRQ's that expand annually as tariffs are eliminated in 17 to 20 years.
- Costa Rica and the Dominican Republic will establish duty-free TRQ's for chicken leg quarters totaling 850 metric tons, each expanding by 10% annually. The other four Central American countries will establish a total regional duty-free TRQ of 21,810 metric tons (with individual country minimum quota levels). After year 12, the TRQ quantity will be no less than 5% of regional chicken production.
- Tariffs on poultry products such as wings, breast meat and mechanically de-boned poultry meat will be reduced more quickly, with many eliminated within 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Mississippi will increase poultry exports to the six countries by $32 million per year by 2024.

Cotton – As the nation's #3 exporter of cotton and with farm cash receipts totaling $500 million, Mississippi cotton farmers will benefit from the DR-CAFTA.

- Under the WTO, DR-CAFTA countries could raise tariffs on cotton to 35% to 60%, depending on the country.
- The DR-CAFTA will lock-in immediately zero tariffs for markets worth over $55 million to United States cotton suppliers.
- The AFBF economic analysis of DR-CAFTA estimates that Mississippi will increase cotton exports to the six countries by $2 million per year by 2024.

Rice – As the nation's 4th largest rice exporter, Mississippi rice producers will also benefit from the DR-CAFTA.

- United States rice exports face DR-CAFTA tariffs up to 60%, and the WTO permits tariffs as high as 90%.
- Each DR-CAFTA country will establish zero duty TRQ's for milled rice, and rough rice in all except the Dominican Republic (which will have a TRQ for brown rice).
- In the first year of the DR-CAFTA, the TRQ access will total over 400,000 metric tons immediately and will grow through the tariff phase-out period.
- The AFBF economic analysis of DR-CAFTA estimates that Mississippi will increase rice exports to the six countries by $1.5 million per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Estimated Trade Impact of DR-CAFTA on Mississippi for Selected Commodities
(Values in Million Dollars)

	1999-2001 MS Exports		2024 Imports from MS		DR-CAFTA
			Without	**With**	
Commodity	Total	DR-CAFTA	DR-CAFTA	DR-CAFTA	Difference
Dairy	0.00	0.00	0.00	0.00	0.00
Cotton	167.34	3.35	5.69	7.40	1.71
Feed Grains	28.77	0.58	1.09	1.20	0.11
Fruits	0.79	0.02	0.03	0.05	0.01
Meats	1.73	0.03	0.20	0.46	0.26
Poultry	153.81	3.08	20.00	51.99	31.99
Soybean & Products	103.95	2.08	4.37	5.24	0.87
Sugar	N/A	N/A	N/A	N/A	0.00
Rice	79.73	1.59	3.67	5.13	1.47
Vegetables	0.09	0.00	0.00	0.01	0.00
Wheat	13.54	0.27	0.49	0.63	0.15
Total	549.74	10.99	35.54	72.11	**36.57**

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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Missouri Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost Missouri's farm prices and income. Such exports help support about 18,960 jobs both on and off the farm in food processing, storage, and transportation. In 2003, Missouri's farm cash receipts were $5 billion, and agricultural exports were estimated at $1.2 billion, putting its reliance on agricultural exports at 25%. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase Missouri's exports of agricultural products.

Missouri Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including Missouri's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Beef – As the top source of farm cash receipts in the state, Missouri cattle and calf operators benefit from the FTA.

- Current import tariffs on United States beef exports are as high as 30%, and the WTO permits tariffs as high as 79%.
- Duties on the products most important to the United States beef industry – Prime and Choice cuts – will be eliminated immediately in Central American countries, while the Dominican Republic will establish a zero duty TRQ of 1,100 metric tons which expands annually as tariffs are eliminated. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- Some immediate duty-free access will be provided by certain countries on other beef cuts through an initial TRQ totaling 1,165 metric tons, expanding annually until tariffs are fully phased-out.
- Duties currently applied to other beef products and beef offals will be phased-out in 5 to 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Missouri will increase meat (beef and pork) exports to the six countries by $11 million per year by 2024.

Pork – With nearly $600 million in sales, Missouri pork producers benefit from the duty-free access on pork cuts for each DR-CAFTA country.

- United States pork exporters currently face tariffs as high as 47%, and the WTO permits tariffs as high as 60%.
- The opportunity for trade created through the TRQs total 13,613 tons, expanding by 5 to 15% per year until tariffs are eliminated.

- Central American countries will immediately eliminate tariffs on bacon and some offal products, while the Dominican Republic will establish TRQs for bacon and fat that expand annually.
- All DR-CAFTA tariffs will be eliminated within 15 years and certain products will be subject to safeguards in some countries.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Missouri will increase meat (beef and pork) exports to the six countries by $11 million per year by 2024.

Soybeans and Products – Providing the 2nd largest source of farm cash receipts and the top state agricultural export, Missouri soybean farmers benefit from the FTA.

- Central American and Dominican import tariffs range from zero to 20%, and the WTO permits tariffs as high 90%.
- DR-CAFTA countries will provide immediate duty-free access for soybeans. Duties on soybean meal and flour will be eliminated immediately in most DR-CAFTA countries.
- Most DR-CAFTA countries will immediately eliminate tariffs on crude soybean oil, and the current tariffs on refined soybean oil phased out over 12 to 15 years.
- The AFBF economic analysis of DR-CAFTA estimates that Missouri will increase soybean and product exports to the six countries by $3 million per year by 2024.

Corn – As 3rd largest source of farm cash receipts and 2nd largest state agricultural export, Missouri corn producers benefit from the FTA.

- United States corn exporters face tariffs up to 35%, and the WTO permits tariffs as high as 75%.
- Costa Rica and the Dominican Republic will eliminate their duty on yellow corn immediately. The other countries will provide preferential access through individual duty-free TRQs totaling 1,151,259 metric tons initially, growing by 5% per year as the over-quota tariffs are phased out over 15 years (10 years in the case of Guatemala).
- All currently applied tariffs on corn products (including corn flour, corn gluten feed, corn oil and high fructose corn syrup) will be phased-out in 15 years.
- The AFBF economic analysis of DR-CAFTA estimates that Missouri will increase dairy exports to the six countries by $1 million per year by 2024.

Dairy – Providing the 6th largest source of farm cash receipts in the state, Missouri dairy farmers benefit from the FTA.

- United States dairy exporters currently face tariffs as high as 60%, and the WTO permits tariffs as high as 100%.
- Each country will establish duty-free TRQs for certain dairy products totaling over 10,000 metric tons across the six countries – and each will receive the same level of TRQ access for dairy products entering the United States.
- TRQs will grow by 5% per year for the Central American countries and 10% per year for the Dominican Republic, with certain dairy products subject to safeguards during the phase-out period.
- All Central American and Dominican tariffs will be eliminated within 20 years, with tariffs on some dairy products eliminated earlier.
- The AFBF economic analysis of DR-CAFTA estimates that Missouri will increase dairy exports to the six countries by $1 million per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Estimated Trade Impact of DR-CAFTA on Missouri for Selected Commodities
(Values in Million Dollars)

	1999-2001 MO Exports		2024 Imports from MO		DR-CAFTA
			Without	**With**	
Commodity	Total	DR-CAFTA	DR-CAFTA	DR-CAFTA	Difference
Dairy	18.63	0.37	0.60	1.73	1.13
Cotton	47.10	0.94	1.60	2.08	0.48
Feed Grains	217.61	4.35	8.27	9.10	0.83
Fruits	3.98	0.08	0.18	0.25	0.07
Meats	71.75	1.43	8.32	19.14	10.82
Poultry	70.39	1.41	9.15	23.79	14.64
Soybean & Products	401.67	8.03	16.87	20.24	3.37
Sugar	N/A	N/A	N/A	N/A	0.00
Rice	45.35	0.91	2.09	2.92	0.83
Vegetables	6.24	0.12	0.27	0.38	0.11
Wheat	129.83	2.60	4.67	6.08	1.40
Total	1,012.55	20.25	52.02	85.71	**33.69**

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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Montana Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost Montana's farm prices and income. Such exports help support about 6,320 jobs both on and off the farm in food processing, storage, and transportation. In 2003, Montana's farm cash receipts were $1.9 billion, and agricultural exports were estimated at $400 million, putting its reliance on agricultural exports at 21%. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase Montana's exports of agricultural products.

Montana Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including Montana's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Beef – Montana, with cattle and calve operations the top source of farm cash receipts at nearly $1 billion, benefits from the FTA.

- Current import tariffs on United States beef exports are as high as 30%, and the WTO permits tariffs as high as 79%.
- Duties on the products most important to the United States beef industry – Prime and Choice cuts – will be eliminated immediately in Central American countries, while the Dominican Republic will establish a zero duty TRQ of 1,100 metric tons which expands annually as tariffs are eliminated. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- Some immediate duty-free access will be provided by certain countries on other beef cuts through an initial TRQ totaling 1,165 metric tons, expanding annually until tariffs are fully phased-out.
- Duties currently applied to other beef products and beef offals will be phased-out in 5 to 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Montana will increase meat (beef and pork) exports to the six countries by $2 million per year by 2024.

Wheat and Barley – As the nation's 4th largest wheat exporter, with farm cash receipts from wheat and barley ranking 2nd and 3rd in the state, Montana wheat and barley producers benefit from the FTA.

- United States grain suppliers will benefit from zero tariffs immediately on wheat and barley in all six countries, as well as on some processed grain products.
- The WTO generally permits tariffs up to 60%, but can exceed 100%.
- The AFBF economic analysis of DR-CAFTA estimates that Montana will increase wheat exports to the six countries by $3 million per year by 2024.

Vegetables, Including Potatoes and Dried Beans – As the state's 4th largest agricultural export, Montana vegetable producers benefit from the FTA.

- Providing the over $24 million in farm cash receipts, Montana potato producers benefit from immediate duty elimination on certain potato products, including frozen french fries, which will be duty-free immediately in most DR-CAFTA countries. All tariffs will be eliminated in 15 years, except for fresh potatoes in Costa Rica, where liberalization will occur through expanded TRQ access, with an initial quantity of 300 metric tons. Current tariffs in the DR-CAFTA countries are generally 15%, and the WTO permits tariffs as high as 60%.
- With over $12 million in farm cash receipts for dried beans and lentils, Montana producers benefit from immediate duty-free access for some dried beans and lentils, and others in 5 to 15 years. The Dominican Republic will provide a duty-free TRQ for mung, red, and kidney beans, of 8,560 metric tons, growing at a rate of 7%. All tariffs will be eliminated in 15 years. Currently, import tariffs in DR-CAFTA countries are as high as 89%, and the WTO permits tariffs as high as 110%.
- The AFBF economic analysis of DR-CAFTA estimates that Montana will increase vegetable exports to the six countries by $0.2 million per year by 2024.

Sugar – The 1% of Montana farms engaged in sugar production will face no cuts in the over 100% out-of-quota duty on United States sugar that currently protects domestic producers.

- The United States will establish TRQs for DR-CAFTA countries, starting at 107,000 metric tons. In the first year of implementation, increased market access in sugar will amount to about 1.2% of annual United States sugar consumption. This amount grows very slowly by 2% a year into perpetuity, so that by year 15 of FTA implementation the increased access on sugar (about 151,000 metric tons) amounts to about 1.7% of consumption. The United States will also establish a quota for specialty sugar goods of Costa Rica in the amount of 2,000 metric tons annually.
- Provisions will ensure only net surplus exporting countries in the region have access to the new access, and provisions have been agreed to allow alternative forms of compensation to be established to facilitate sugar stock management by the United States.
- The AFBF economic analysis of DR-CAFTA estimates that Montana will lose $1.5 million from increased sugar imports from the six countries per year by 2024

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Estimated Trade Impact of DR-CAFTA on Montana for Selected Commodities
(Values in Million Dollars)

	1999-2001 MT Exports		2024 Imports from MT		DR-CAFTA
			Without	**With**	
Commodity	Total	DR-CAFTA	DR-CAFTA	DR-CAFTA	Difference
Dairy	0.00	0.00	0.00	0.00	0.00
Cotton	0.00	0.00	0.00	0.00	0.00
Feed Grains	23.45	0.47	0.89	0.98	0.09
Fruits	0.00	0.00	0.00	0.00	0.00
Meats	11.42	0.23	1.33	3.05	1.72
Poultry	0.29	0.01	0.04	0.10	0.06
Soybean & Products	0.00	0.00	0.00	0.00	0.00
Sugar	N/A	N/A	N/A	N/A	-1.61
Rice	0.00	0.00	0.00	0.00	0.00
Vegetables	13.37	0.27	0.59	0.82	0.24
Wheat	255.93	5.12	9.21	11.98	2.76
Total	304.46	6.09	12.06	16.93	**3.26**

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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Nebraska Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost Nebraska's farm prices and income. Such exports help support about 47,400 jobs both on and off the farm in food processing, storage, and transportation. In 2003, Nebraska's farm cash receipts were $10.6 billion, and agricultural exports were estimated at $3 billion, putting its reliance on agricultural exports at 29%. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase Nebraska's exports of agricultural products.

Nebraska Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including Nebraska's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Beef – As the top source of nearly $6 billion in cash receipts and Nebraska cattle and calve operators benefit from immediate elimination of tariffs on the products most important to the United States beef industry – Prime and Choice cuts – in Central American countries, while the Dominican Republic will establish a zero duty TRQ of 1,100 metric tons which expands annually as tariffs are eliminated.

- Current import tariffs on United States beef exports are as high as 30%, and the WTO permits tariffs as high as 79%.
- Some immediate duty-free access will be provided by certain countries on other beef cuts through an initial TRQ totaling 1,165 metric tons, expanding annually until tariffs are fully phased-out. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- Duties currently applied to other beef products and beef offals will be phased-out in 5 to 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Nebraska will increase meat (beef and pork) exports to the six countries by $141 million per year by 2024.

Pork – Providing the state's 4th leading source of farm cash receipts, Nebraska pork producers benefit from the duty-free access on pork cuts for each DR-CAFTA country. The opportunity for trade created through the TRQs total 13,613 tons, expanding by 5 to 15% per year until tariffs are eliminated.

- United States pork exporters currently face tariffs as high as 47%, and the WTO permits tariffs as high as 60%.
- Central American countries will immediately eliminate tariffs on bacon and some offal products, while the Dominican Republic will establish TRQs for bacon and fat that expand annually.

- All DR-CAFTA tariffs will be eliminated within 15 years and certain products will be subject to safeguards in some countries.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Nebraska will increase meat (beef and pork) exports to the six countries by $141 million per year by 2024.

Corn – As the 2nd largest source of farm cash receipts at over $2 billion, Nebraska corn producers benefit from the FTA.

- United States corn exporters face tariffs up to 35%, and the WTO permits tariffs as high as 75%.
- Costa Rica and the Dominican Republic will eliminate their duty on yellow corn immediately. The other countries will provide preferential access through individual duty-free TRQs totaling 1,151,259 metric tons initially, growing by 5% per year as the over-quota tariffs are phased out over 15 years (10 years in the case of Guatemala).
- All currently applied tariffs on corn products (including corn flour, corn gluten feed, corn oil and high fructose corn syrup) will be phased-out in 15 years.
- The AFBF economic analysis of DR-CAFTA estimates that Nebraska will increase feed grain exports to the six countries by $3 million per year by 2024.

Soybeans and Products – As the 3rd largest source of state farm cash receipts and the nation's 5th largest exporter, Nebraska soybean producers benefit from the FTA.

- Central American and Dominican import tariffs range from zero to 20%, and the WTO permits tariffs as high 90%.
- DR-CAFTA countries will provide immediate duty-free access for soybeans. Duties on soybean meal and flour will be eliminated immediately in most DR-CAFTA countries.
- Most DR-CAFTA countries will immediately eliminate tariffs on crude soybean oil, and the current tariffs on refined soybean oil phased out over 12 to 15 years.
- The AFBF economic analysis of DR-CAFTA estimates that Nebraska will increase soybean and product exports to the six countries by $4 million per year by 2024.

Wheat – As the 5th largest source of state farm cash receipts, Nebraska wheat producers benefit from the FTA.

- United States grain suppliers will benefit from zero tariffs immediately on wheat in all six countries, as well as on some processed grain products.
- The WTO generally permits tariffs up to 60%, but can exceed 100%.
- The AFBF economic analysis of DR-CAFTA estimates that Nebraska will increase wheat exports to the six countries by $2 million per year by 2024.

Sugar – The Nebraska farms engaged in sugar production will face no cuts in the over 100% out-of-quota duty on United States sugar that currently protects domestic producers.

- The United States will establish TRQ's for DR-CAFTA countries, starting at 107,000 metric tons. In the first year of implementation, increased market access in sugar will amount to about 1.2% of annual United States sugar consumption. This amount grows very slowly by 2% a year into perpetuity, so that by year 15 of FTA implementation the increased access on sugar (about 151,000 metric tons) amounts to about 1.7% of consumption. The United States will also establish a quota for specialty sugar goods of Costa Rica in the amount of 2,000 metric tons annually.
- Provisions will ensure only net surplus exporting countries in the region have access to the new access, and provisions have been agreed to allow alternative forms of

compensation to be established to facilitate sugar stock management by the United States.

- The AFBF economic analysis of DR-CAFTA estimates that Nebraska will lose $0.8 million from increased sugar imports from the six countries per year by 2024

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Estimated Trade Impact of DR-CAFTA on Nebraska for Selected Commodities
(Values in Million Dollars)

	1999-2001 NE Exports		2024 Imports from NE		DR-CAFTA
			Without	**With**	
Commodity	Total	DR-CAFTA	DR-CAFTA	DR-CAFTA	Difference
Dairy	17.54	0.35	0.56	1.63	1.07
Cotton	0.00	0.00	0.00	0.00	0.00
Feed Grains	765.02	15.30	29.07	31.98	2.91
Fruits	0.00	0.00	0.00	0.00	0.00
Meats	932.63	18.65	108.18	248.83	140.64
Poultry	10.12	0.20	1.32	3.42	2.11
Soybean & Products	424.74	8.49	17.84	21.41	3.57
Sugar	N/A	N/A	N/A	N/A	-0.81
Rice	0.00	0.00	0.00	0.00	0.00
Vegetables	39.05	0.78	1.72	2.41	0.69
Wheat	142.43	2.85	5.13	6.67	1.54
Total	2,331.54	46.63	163.82	316.33	**151.71**

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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Nevada Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost Nevada's farm prices and income. Such exports help support about 4,120 jobs both on and off the farm in food processing, storage, and transportation. In 2003, Nevada's net farm income was $111 million, and agricultural exports were estimated at $32 million. Implementation of the Dominican Republic – Central American Free Trade Agreement (DR-CAFTA) will increase Nevada's exports of agricultural products.

Nevada Benefits From the DR-CAFTA

Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including Nevada's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Beef – As the highest-valued agricultural commodity in the state, Nevada cattle and calf producers benefit from the DR-CAFTA.

- Current import tariffs on United States beef exports are as high as 30%, and the WTO permits tariffs as high as 79%.
- Tariffs on the products most important to the United States beef industry – Prime and Choice cuts – will be eliminated immediately in Central American countries, while the Dominican Republic will establish a zero duty TRQ of 1,100 metric tons which expands annually as tariffs are eliminated. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- Some immediate duty-free access will be provided by certain countries on other beef cuts through an initial TRQ totaling 1,165 metric tons, expanding annually until tariffs are fully phased-out.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Nevada will increase meat (beef and pork) exports to the six countries by $0.2 million per year by 2024.

Vegetables – Nevada vegetable growers and processors benefit from the FTA.

- With over $12 million in farm cash receipts, Nevada's potato producers benefit from immediate duty elimination on certain potato products, including frozen french fries, which will be duty-free immediately in most DR-CAFTA countries. All tariffs will be eliminated in 15 years, except for fresh potatoes in Costa Rica, where liberalization will occur through expanded TRQ access, with an initial quantity of 300 metric tons. Current tariffs in the DR-CAFTA countries are generally 15%, and the WTO permits tariffs as high as 60%.
- The AFBF economic analysis of DR-CAFTA estimates that Nevada will increase vegetable exports to the six countries by $0.1 million per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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New Hampshire Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost New Hampshire's farm prices and income. Such exports help support about 3,080 jobs both on and off the farm in food processing, storage, and transportation. In 2003, New Hampshire's net farm income was $17 million, and agricultural exports were estimated at $6.6 million. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase New Hampshire's exports of agricultural products.

New Hampshire Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including New Hampshire's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Fruits, Including Apples – New Hampshire apple producers, with farm cash receipts of nearly $7 million, benefit from the FTA.

- DR-CAFTA countries currently charge tariffs as high as 25% on United States apples, and the WTO permits tariffs as high as 138%.
- These tariffs will be eliminated immediately under the FTA.
- The AFBF economic analysis of DR-CAFTA estimates that New Hampshire will increase fruit exports to the six countries by $0.03 million per year by 2024.

Poultry –New Hampshire poultry producers will also benefit from the DR-CAFTA.

- United States poultry exporters currently face tariffs as high as 164% on both fresh and frozen products and the WTO permits tariffs as high as 250%.
- Each DR-CAFTA country will provide immediate duty-free access on chicken leg quarters, a product where the United States is the world's most competitive exporter, through country-specific TRQs that expand annually as tariffs are eliminated in 17 to 20 years.
- Costa Rica and the Dominican Republic will establish duty-free TRQs for chicken leg quarters totaling 850 metric tons, each expanding by 10% annually. The other four Central American countries will establish a total regional duty-free TRQ of 21,810 metric tons (with individual country minimum quota levels). After year 12, the TRQ quantity will be no less than 5% of regional chicken production.
- Duties on poultry products such as wings, breast meat and mechanically de-boned poultry meat will be reduced more quickly, with many eliminated within 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that New Hampshire will increase poultry exports to the six countries by $0.03 million per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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New Jersey Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost New Jersey's farm prices and income. Such exports help support about 16,800 jobs both on and off the farm in food processing, storage, and transportation. In 2003, New Jersey's net farm income was $127 million, and agricultural exports were estimated at $119 million. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase New Jersey's exports of agricultural products.

New Jersey Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including Pennsylvania's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Poultry – New Jersey poultry producers benefit from the DR-CAFTA.

- United States poultry exporters currently face tariffs as high as 164% on both fresh and frozen products and the WTO permits tariffs as high as 250%.
- Each DR-CAFTA country will provide immediate duty-free access on chicken leg quarters through country-specific TRQs that expand annually as tariffs are eliminated in 17 to 20 years.
- Costa Rica and the Dominican Republic will establish duty-free TRQs for chicken leg quarters totaling 850 metric tons, each expanding by 10% annually. The other four Central American countries will establish a total regional duty-free TRQ of 21,810 metric tons (with individual country minimum quota levels). After year 12, the TRQ quantity will be no less than 5% of regional chicken production. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- Duties on poultry products such as wings, breast meat and mechanically de-boned poultry meat will be reduced more quickly, with many eliminated within 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that New Jersey will increase poultry exports to the six countries by $0.3 million per year by 2024.

Pork – New Jersey pork producers benefit from the duty-free access on pork cuts for each DR-CAFTA country.

- United States pork exporters currently face tariffs as high as 47%, and the WTO permits tariffs as high as 60%.
- The opportunity for trade created through the TRQs total 13,613 tons, expanding by 5 to 15% per year until tariffs are eliminated.
- Central American countries will immediately eliminate tariffs on bacon and some offal products, while the Dominican Republic will establish TRQs for bacon and fat that expand annually.

- All DR-CAFTA tariffs will be eliminated within 15 years and certain products will be subject to safeguards in some countries.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that New Jersey will increase meat (beef and pork) exports to the six countries by $0.5 million per year by 2024.

Vegetables – New Jersey vegetable growers and processors also benefit from the DR-CAFTA.

- Under the WTO, DR-CAFTA countries could raise tariffs on cotton to 20% to 60%, depending on the country.
- The AFBF economic analysis of DR-CAFTA estimates that New Jersey will increase vegetable exports to the six countries by $0.4 million per year by 2024.

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Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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New Mexico Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost New Mexico's farm prices and income. Such exports help support jobs both on and off the farm in food processing, storage, and transportation. In 2003, New Mexico's farm cash receipts were $2.1 billion, and agricultural exports were estimated at $225 million, putting its reliance on agricultural exports at 11%. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase New Mexico's exports of agricultural products.

New Mexico Benefits From the DR-CAFTA

Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including New Mexico's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Beef – Providing the 2nd leading source of farm cash receipts, New Mexico cattle and calve producers benefit from the FTA.

- Current import tariffs on United States beef exports are as high as 30%, and the WTO permits tariffs as high as 79%.
- Duties on the products most important to the United States beef industry – Prime and Choice cuts – will be eliminated immediately in Central American countries, while the Dominican Republic will establish a zero duty TRQ of 1,100 metric tons which expands annually as tariffs are eliminated.
- Some immediate duty-free access will be provided by certain countries on other beef cuts through an initial TRQ totaling 1,165 metric tons, expanding annually until tariffs are fully phased-out.
- Duties currently applied to other beef products and beef offals will be phased-out in 5 to 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that New Mexico will increase meat (beef and pork) exports to the six countries by $1 million per year by 2024.

Pecans – As the state's 2nd largest agricultural export and 4th largest source of farm cash receipts, New Mexico's pecan producers will benefit from the FTA.

- Current tariffs applied in United States pecan exports are 15 to 20%, and the WTO permits tariffs as high as 60%.
- Duties currently applied to pecans will be phased-out immediately in the Dominican Republic, El Salvador Honduras and Nicaragua. Costa Rica and Guatemala will eliminate tariffs in 10 years.
- The AFBF economic analysis of DR-CAFTA estimates that New Mexico will increase fruit and vegetable exports to the six countries by $0.25 million per year by 2024.

Wheat – As the state's 3rd largest agricultural export, New Mexico wheat producers benefit from the FTA.

- United States grain suppliers will benefit from zero tariffs immediately on wheat and barley in all six countries, as well as on some processed grain products.
- The WTO generally permits tariffs up to 60%, but can exceed 100%.
- The AFBF economic analysis of DR-CAFTA estimates that New Mexico will increase wheat exports to the six countries by $0.1 million per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Estimated Trade Impact of DR-CAFTA on New Mexico for Selected Commodities
(Values in Million Dollars)

	1999-2001 NM Exports		2024 Imports from NM		DR-CAFTA
			Without	**With**	
Commodity	Total	DR-CAFTA	DR-CAFTA	DR-CAFTA	Difference
Dairy	0.00	0.00	0.00	0.00	0.00
Cotton	12.19	0.24	0.41	0.54	0.12
Feed Grains	12.11	0.24	0.46	0.51	0.05
Fruits	0.43	0.01	0.02	0.03	0.01
Meats	9.32	0.19	1.08	2.49	1.41
Poultry	0.00	0.00	0.00	0.00	0.00
Soybean & Products	0.00	0.00	0.00	0.00	0.00
Sugar	N/A	N/A	N/A	N/A	0.00
Rice	0.00	0.00	0.00	0.00	0.00
Vegetables	13.61	0.27	0.60	0.84	0.24
Wheat	11.05	0.22	0.40	0.52	0.12
Total	58.71	1.17	2.97	4.91	**1.94**

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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New York Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost New York's farm prices and income. Such exports help support about 7,173 jobs both on and off the farm in food processing, storage, and transportation. In 2003, New York's farm cash receipts were $3.1 billion, and agricultural exports were estimated at $454 million, putting its reliance on agricultural exports at 14%. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase New York's exports of agricultural products.

New York Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including New York's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Dairy – With dairy products the top source of farm cash receipts at over $1.5 billion and the nation's 5th largest exporter of dairy products, New York dairy producers benefit from the FTA.

- United States dairy exporters currently face tariffs as high as 60%, and the WTO permits tariffs as high as 100%.
- Each country will establish duty-free TRQs for certain dairy products totaling over 10,000 metric tons across the six countries – and each will receive the same level of TRQ access for dairy products entering the United States. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- TRQs will grow by 5% per year for the Central American countries and 10% per year for the Dominican Republic, with certain dairy products subject to safeguards during the phase-out period.
- All Central American and Dominican tariffs will be eliminated within 20 years, with tariffs on some dairy products eliminated earlier.
- The AFBF economic analysis of DR-CAFTA estimates that New York will increase dairy exports to the six countries by $3 million per year by 2024.

Beef – Providing the 4th largest source of farm cash receipts, New York's cattle and calf producers benefit from the FTA.

- Current import tariffs on United States beef exports are as high as 30%, and the WTO permits tariffs as high as 79%.
- Duties on the products most important to the United States beef industry – Prime and Choice cuts – will be eliminated immediately in Central American countries, while the Dominican Republic will establish a zero duty TRQ of 1,100 metric tons which expands annually as tariffs are eliminated.
- Some immediate duty-free access will be provided by certain countries on other beef cuts through an initial TRQ totaling 1,165 metric tons, expanding annually until tariffs are fully phased-out.

- Duties currently applied to other beef products offals will be phased-out in 5 to 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that New York will increase meat (beef and pork) exports to the six countries by $3 million per year by 2024.

Fruits, Including Apples – Providing the 5th largest source of state farm cash receipts, New York apple producers benefit from the FTA.

- DR-CAFTA countries currently charge tariffs as high as 25% on United States apples, and the WTO permits tariffs as high as 138%.
- These tariffs will be eliminated immediately under the FTA.
- The AFBF economic analysis of DR-CAFTA estimates that New York will increase fruit exports to the six countries by $1 million per year by 2024.

Vegetables, Including Potatoes – Providing over $50 million in cash receipts, New York's potato producers benefit from the FTA.

- New York's potato producers benefit from immediate duty elimination on certain potato products, including frozen french fries, which will be duty-free immediately in most DR-CAFTA countries. All tariffs will be eliminated in 15 years, except for fresh potatoes in Costa Rica, where liberalization will occur through expanded TRQ access, with an initial quantity of 300 metric tons. Current tariffs in the DR-CAFTA countries are generally 15%, and the WTO permits tariffs as high as 60%.
- The AFBF economic analysis of DR-CAFTA estimates that New York will increase vegetable exports to the six countries by $2 million per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Estimated Trade Impact of DR-CAFTA on New York for Selected Commodities
(Values in Million Dollars)

	1999-2001 NY Exports		2024 Imports from NY		DR-CAFTA
			Without	**With**	
Commodity	Total	DR-CAFTA	DR-CAFTA	DR-CAFTA	Difference
Dairy	52.46	1.05	1.68	4.87	3.19
Cotton	0.00	0.00	0.00	0.00	0.00
Feed Grains	35.47	0.71	1.35	1.48	0.13
Fruits	66.03	1.32	2.91	4.07	1.16
Meats	16.61	0.33	1.93	4.43	2.51
Poultry	14.68	0.29	1.91	4.96	3.05
Soybean & Products	10.69	0.21	0.45	0.54	0.09
Sugar	N/A	N/A	N/A	N/A	0.00
Rice	0.00	0.00	0.00	0.00	0.00
Vegetables	93.13	1.86	4.10	5.74	1.64
Wheat	79.04	1.58	2.85	3.70	0.85
Total	368.11	7.36	17.16	29.79	**12.63**

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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North Carolina Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost North Carolina's farm prices and income. Such exports help support about 20,540 jobs both on and off the farm in food processing, storage, and transportation. In 2003, North Carolina's farm cash receipts were $6.9 billion, and agricultural exports were estimated at $1.3 billion, putting its reliance on agricultural exports at 19%. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase North Carolina's exports of agricultural products.

North Carolina Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including North Carolina's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Pork – As the top source of farm cash receipts in the state with sales ranked 2nd nationally, North Carolina pork producers benefit from the duty-free access on pork cuts for each DR-CAFTA country.

- United States pork exporters currently face tariffs as high as 47%, and the WTO permits tariffs as high as 60%.
- The opportunity for trade created through the TRQs total 13,613 tons, expanding by 5 to 15% per year until tariffs are eliminated. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- Central American countries will immediately eliminate tariffs on bacon and some offal products, while the Dominican Republic will establish TRQs for bacon and fat that expand annually.
- All DR-CAFTA tariffs will be eliminated within 15 years and certain products will be subject to safeguards in some countries.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that North Carolina will increase meat (beef and pork) exports to the six countries by $24 million per year by 2024.

Poultry – As the 3rd largest agricultural export from the state, North Carolina poultry producers and processors benefit from the FTA.

- United States poultry exporters currently face tariffs as high as 164% on both fresh and frozen products and the WTO permits tariffs as high as 250%.
- Each DR-CAFTA country will provide immediate duty-free access on chicken leg quarters, a product where the United States is the world's most competitive exporter, through country-specific TRQs that expand annually as tariffs are eliminated in 17 to 20 years.

- Costa Rica and the Dominican Republic will establish duty-free TRQs for chicken leg quarters totaling 850 metric tons, each expanding by 10% annually. The other four Central American countries will establish a total regional duty-free TRQ of 21,810 metric tons (with individual country minimum quota levels). After year 12, the TRQ quantity will be no less than 5% of regional chicken production.
- Duties on poultry products such as wings, breast meat and mechanically de-boned poultry meat will be reduced more quickly, with many eliminated within 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that North Carolina will increase poultry exports to the six countries by $42 million per year by 2024.

Cotton – As the 4th largest agricultural export from the state, North Carolina cotton producers benefit from zero tariffs that the FTA locks-in immediately for markets worth over $73.1 million to United States cotton suppliers.

- Under the WTO, DR-CAFTA countries could raise tariffs on cotton to 35 to 60%, depending on the country.
- The AFBF economic analysis of DR-CAFTA estimates that North Carolina will increase cotton exports to the six countries by $1 million per year by 2024.

Soybeans and Products – With over 1.3 million acres planted in the state, North Carolina soybean producers will benefit from the FTA.

- Central American and Dominican import tariffs range from zero to 20%, and the WTO permits tariffs as high 90%.
- DR-CAFTA countries will provide immediate duty-free access for soybeans. Duties on soybean meal and flour will be eliminated immediately in most DR-CAFTA countries.
- Most DR-CAFTA countries will immediately eliminate tariffs on crude soybean oil, and the current tariffs on refined soybean oil phased out over 12 to 15 years.
- The AFBF economic analysis of DR-CAFTA estimates that North Carolina will increase soybean and product exports to the six countries by $0.77 million per year by 2024.

One line of the USTR’s Trade Fact Sheet describing the Agreement is a good comment on which to close, “U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America.” Given this preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Estimated Trade Impact of DR-CAFTA on North Carolina for Selected Commodities
(Values in Million Dollars)

	1999-2001 NC Exports		2024 Imports from NC		DR-CAFTA
			Without	**With**	
Commodity	Total	DR-CAFTA	DR-CAFTA	DR-CAFTA	Difference
Dairy	2.85	0.06	0.09	0.26	0.17
Cotton	113.13	2.26	3.85	5.00	1.15
Feed Grains	37.72	0.75	1.43	1.58	0.14
Fruits	12.38	0.25	0.54	0.76	0.22
Meats	158.93	3.18	18.44	42.40	23.97
Poultry	202.73	4.05	26.36	68.52	42.17
Soybean & Products	91.64	1.83	3.85	4.62	0.77
Sugar	N/A	N/A	N/A	N/A	0.00
Rice	0.00	0.00	0.00	0.00	0.00
Vegetables	17.62	0.35	0.78	1.09	0.31
Wheat	85.99	1.72	3.10	4.02	0.93
Total	722.99	14.46	58.43	128.26	**69.83**

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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North Dakota Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost North Dakota's farm prices and income. Such exports help support about 28,440 jobs both on and off the farm in food processing, storage, and transportation. In 2003, North Dakota's farm cash receipts were $3.7 billion, and agricultural exports were estimated at $1.8 billion, putting its reliance on agricultural exports at 47%. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase North Dakota's exports of agricultural products.

North Dakota Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including North Dakota's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Wheat and Barley – As the nation's 2nd largest wheat exporter, with wheat and barley ranked 1st and 3rd in state farm cash receipts, North Dakota wheat and barley producers benefit from the FTA.

- United States grain suppliers will benefit from zero tariffs immediately on wheat and barley in all six countries, as well as on some processed grain products.
- The WTO generally permits tariffs up to 60%, but can exceed 100%.
- The AFBF economic analysis of DR-CAFTA estimates that North Dakota will increase wheat exports to the six countries by $5 million per year by 2024.

Beef – As the 2nd largest source of farm cash receipts at nearly $700 million, North Dakota cattle and calve operators benefit from the FTA.

- Current import tariffs on United States beef exports are as high as 30%, and the WTO permits tariffs as high as 79%.
- Duties on the products most important to the United States beef industry – Prime and Choice cuts – will be eliminated immediately in Central American countries, while the Dominican Republic will establish a zero duty TRQ of 1,100 metric tons which expands annually as tariffs are eliminated. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- Some immediate duty-free access will be provided by certain countries on other beef cuts through an initial TRQ totaling 1,165 metric tons, expanding annually until tariffs are fully phased-out.
- Duties currently applied to other beef products and beef offals will be phased-out in 5 to 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that North Dakota will increase meat (beef and pork) exports to the six countries by $1 million per year by 2024.

Soybeans and Products – As the state's 3rd largest agricultural export and source of farm cash receipts, North Dakota's soybean producers benefit from the FTA.

- Central American and Dominican import tariffs range from zero to 20%, and the WTO permits tariffs as high 90%.
- DR-CAFTA countries will provide immediate duty-free access for soybeans. Duties on soybean meal and flour will be eliminated immediately in most DR-CAFTA countries.
- Most DR-CAFTA countries will immediately eliminate tariffs on crude soybean oil, and the current tariffs on refined soybean oil phased out over 12 to 15 years.
- The AFBF economic analysis of DR-CAFTA estimates that North Dakota will increase soybean and product exports to the six countries by $1 million per year by 2024.

Corn – Providing the 5th largest source of farm cash receipts, North Dakota corn producers benefit from the FTA.

- United States corn exporters face tariffs up to 35%, and the WTO permits tariffs as high as 75%.
- Costa Rica and the Dominican Republic will eliminate their duty on yellow corn immediately. The other countries will provide preferential access through individual duty-free TRQs totaling 1,151,259 metric tons initially, growing by 5% per year as the over-quota tariffs are phased out over 15 years (10 years in the case of Guatemala).
- All currently applied tariffs on corn products (including corn flour, corn gluten feed, corn oil and high fructose corn syrup) will be phased-out in 15 years.
- The AFBF economic analysis of DR-CAFTA estimates that North Dakota will increase feed grain exports to the six countries by $0.5 million per year by 2024.

Sugar – The 2.3% of North Dakota farms engaged in sugar production will face no cuts in the over 100% out-of-quota duty on United States sugar that currently protects domestic producers.

- The United States will establish TRQs for DR-CAFTA countries, starting at 107,000 metric tons. In the first year of implementation, increased market access in sugar will amount to about 1.2% of annual United States sugar consumption. This amount grows very slowly by 2% a year into perpetuity, so that by year 15 of FTA implementation the increased access on sugar (about 151,000 metric tons) amounts to about 1.7% of consumption. The United States will also establish a quota for specialty sugar goods of Costa Rica in the amount of 2,000 metric tons annually.
- Provisions will ensure only net surplus exporting countries in the region have access to the new access, and provisions have been agreed to allow alternative forms of compensation to be established to facilitate sugar stock management by the United States.
- The AFBF economic analysis of DR-CAFTA estimates that North Dakota will lose $8 million from increased sugar imports from the six countries per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Estimated Trade Impact of DR-CAFTA on North Dakota for Selected Commodities
(Values in Million Dollars)

	1999-2001 ND Exports		2024 Imports from ND		DR-CAFTA
			Without	**With**	
Commodity	Total	DR-CAFTA	DR-CAFTA	DR-CAFTA	Difference
Dairy	1.95	0.04	0.06	0.18	0.12
Cotton	0.00	0.00	0.00	0.00	0.00
Feed Grains	94.63	1.89	3.60	3.96	0.36
Fruits	0.00	0.00	0.00	0.00	0.00
Meats	4.73	0.09	0.55	1.26	0.71
Poultry	1.45	0.03	0.19	0.49	0.30
Soybean & Products	125.31	2.51	5.26	6.32	1.05
Sugar	N/A	N/A	N/A	N/A	-8.05
Rice	0.00	0.00	0.00	0.00	0.00
Vegetables	114.61	2.29	5.04	7.06	2.02
Wheat	447.89	8.96	16.12	20.96	4.84
Total	790.58	15.81	30.83	40.23	**1.35**

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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Ohio Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost Ohio's farm prices and income. Such exports help support about 18,960 jobs both on and off the farm in food processing, storage, and transportation. In 2003, Ohio's farm cash receipts were $4.7 billion, and agricultural exports were estimated at $1.2 billion, putting its reliance on agricultural exports at 25%. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase Ohio's exports of agricultural products.

Ohio Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including Ohio's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Soybeans and Products – With soybeans the leading source of state farm cash receipts and the state's top agricultural export, Ohio soybean producers benefit from the FTA.

- Central American and Dominican import tariffs range from zero to 20%, and the WTO permits tariffs as high 90%.
- DR-CAFTA countries will provide immediate duty-free access for soybeans. Duties on soybean meal and flour will be eliminated immediately in most DR-CAFTA countries.
- Most DR-CAFTA countries will immediately eliminate tariffs on crude soybean oil, and the current tariffs on refined soybean oil phased out over 12 to 15 years.
- The AFBF economic analysis of DR-CAFTA estimates that Ohio will increase soybean and product exports to the six countries by $4 million per year by 2024.

Corn – As the state's 3rd largest export and contributing 16% of state farm cash receipts, Ohio corn producers benefit from the FTA.

- United States corn exporters face tariffs up to 35%, and the WTO permits tariffs as high as 75%.
- Costa Rica and the Dominican Republic will eliminate their duty on yellow corn immediately. The other countries will provide preferential access through individual duty-free TRQs totaling 1,151,259 metric tons initially, growing by 5% per year as the over-quota tariffs are phased out over 15 years (10 years in the case of Guatemala). (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- All currently applied tariffs on corn products (including corn flour, corn gluten feed, corn oil and high fructose corn syrup) will be phased-out in 15 years.
- The AFBF economic analysis of DR-CAFTA estimates that Ohio will increase feed grain exports to the six countries by $1 million per year by 2024.

Dairy – Providing the state's 3rd leading source of state farm cash receipts (over $580 million), Ohio dairy producers benefit from the FTA.

- United States dairy exporters currently face tariffs as high as 60%, and the WTO permits tariffs as high as 100%.
- Each country will establish duty-free TRQs for certain dairy products totaling over 10,000 metric tons across the six countries – and each will receive the same level of TRQ access for dairy products entering the United States.
- TRQs will grow by 5% per year for the Central American countries and 10% per year for the Dominican Republic, with certain dairy products subject to safeguards during the phase-out period.
- All Central American and Dominican tariffs will be eliminated within 20 years, with tariffs on some dairy products eliminated earlier.
- The AFBF economic analysis of DR-CAFTA estimates that Ohio will increase dairy exports to the six countries by $2 million per year by 2024.

Beef – Ohio cattle and calve operators, with state farm cash receipts of over $325 million, benefit from the FTA.

- Current import tariffs on United States beef exports are as high as 30%, and the WTO permits tariffs as high as 79%.
- Duties on the products most important to the United States beef industry – Prime and Choice cuts – will be eliminated immediately in Central American countries, while the Dominican Republic will establish a zero duty TRQ of 1,100 metric tons which expands annually as tariffs are eliminated.
- Some immediate duty-free access will be provided by certain countries on other beef cuts through an initial TRQ totaling 1,165 metric tons, expanding annually until tariffs are fully phased-out.
- Duties currently applied to other beef products and beef offals will be phased-out in 5 to 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Ohio will increase meat (beef and pork) exports to the six countries by $5 million per year by 2024.

Pork – Providing over $277 million in state farm cash receipts, Ohio pork producers benefit from the duty-free access on pork cuts for each DR-CAFTA country

- United States pork exporters currently face tariffs as high as 47%, and the WTO permits tariffs as high as 60%.
- The opportunity for trade created through the TRQs total 13,613 tons, expanding by 5 to 15% per year until tariffs are eliminated.
- Central American countries will immediately eliminate tariffs on bacon and some offal products, while the Dominican Republic will establish TRQs for bacon and fat that expand annually.
- All DR-CAFTA tariffs will be eliminated within 15 years and certain products will be subject to safeguards in some countries.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Ohio will increase meat (beef and pork) exports to the six countries by $5 million per year by 2024.

Poultry – Ohio poultry producers will also benefit from the DR-CAFTA.

- United States poultry exporters currently face tariffs as high as 164% on both fresh and frozen products and the WTO permits tariffs as high as 250%.

- Each DR-CAFTA country will provide immediate duty-free access on chicken leg quarters, a product where the United States is the world's most competitive exporter, through country-specific TRQ's that expand annually as tariffs are eliminated in 17 to 20 years.
- Costa Rica and the Dominican Republic will establish duty-free TRQ's for chicken leg quarters totaling 850 metric tons, each expanding by 10% annually. The other four Central American countries will establish a total regional duty-free TRQ of 21,810 metric tons (with individual country minimum quota levels). After year 12, the TRQ quantity will be no less than 5% of regional chicken production.
- Tariffs on poultry products such as wings, breast meat and mechanically de-boned poultry meat will be reduced more quickly, with many eliminated within 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Ohio will increase poultry exports to the six countries by $9 million per year by 2024.

Wheat – As the nation's 9th largest exporter with cash receipts over $200 million, Ohio wheat producers benefit from the FTA.

- United States grain suppliers will benefit from zero tariffs immediately on wheat in all six countries, as well as on some processed grain products.
- The WTO generally permits tariffs up to 60%, but can exceed 100%.
- The AFBF economic analysis of DR-CAFTA estimates that Ohio will increase wheat exports to the six countries by $2 million per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Estimated Trade Impact of DR-CAFTA on Ohio for Selected Commodities
(Values in Million Dollars)

	1999-2001 OH Exports		2024 Imports from OH		DR-CAFTA
Commodity	Total	DR-CAFTA	**Without** DR-CAFTA	**With** DR-CAFTA	Difference
Dairy	24.71	0.49	0.79	2.29	1.50
Cotton	0.00	0.00	0.00	0.00	0.00
Feed Grains	283.79	5.68	10.78	11.86	1.08
Fruits	7.57	0.15	0.33	0.47	0.13
Meats	35.35	0.71	4.10	9.43	5.33
Poultry	42.74	0.85	5.56	14.45	8.89
Soybean & Products	441.91	8.84	18.56	22.27	3.71
Sugar	N/A	N/A	N/A	N/A	0.00
Rice	0.00	0.00	0.00	0.00	0.00
Vegetables	41.36	0.83	1.82	2.55	0.73
Wheat	177.68	3.55	6.40	8.32	1.92
Total	1,055.11	21.10	48.34	71.63	**23.29**

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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Oklahoma Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost Oklahoma's farm prices and income. Such exports help support about 9,260 jobs both on and off the farm in food processing, storage, and transportation. In 2003, Oklahoma's farm cash receipts were $4.5 billion, and agricultural exports were estimated at $586 million, putting its reliance on agricultural exports at 13%. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase Oklahoma's exports of agricultural products.

Oklahoma Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including Oklahoma's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Beef – Providing over one-half of the state's farm cash receipts at $2.4 billion, Oklahoma cattle and calve producers benefit from the FTA.

- Current import tariffs on United States beef exports are as high as 30%, and the WTO permits tariffs as high as 79%.
- Duties on the products most important to the United States beef industry – Prime and Choice cuts – will be eliminated immediately in Central American countries, while the Dominican Republic will establish a zero duty TRQ of 1,100 metric tons which expands annually as tariffs are eliminated. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- Some immediate duty-free access will be provided by certain countries on other beef cuts through an initial TRQ totaling 1,165 metric tons, expanding annually until tariffs are fully phased-out.
- Duties currently applied to other beef products and beef offals will be phased-out in 5 to 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Oklahoma will increase meat (beef and pork) exports to the six countries by $13 million per year by 2024.

Pork – With hog production the state's 3rd largest source of farm cash receipts ($442 million), Oklahoma pork producers benefit from the FTA.

- United States pork exporters currently face tariffs as high as 47%, and the WTO permits tariffs as high as 60%.
- The opportunity for trade created through the TRQs total 13,613 tons, expanding by 5 to 15% per year until tariffs are eliminated.

- Central American countries will immediately eliminate tariffs on bacon and some offal products, while the Dominican Republic will establish TRQs for bacon and fat that expand annually.
- All DR-CAFTA tariffs will be eliminated within 15 years and certain products will be subject to safeguards in some countries.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Oklahoma will increase meat (beef and pork) exports to the six countries by $13 million per year by 2024.

Wheat – As the nation's 5th largest exporter, with state farm cash receipts of over $443 million, Oklahoma wheat producers benefit from the FTA.

- United States grain suppliers will benefit from zero tariffs immediately on wheat in all six countries, as well as on some processed grain products.
- The WTO generally permits tariffs up to 60%, but can exceed 100%.
- The AFBF economic analysis of DR-CAFTA estimates that Oklahoma will increase wheat exports to the six countries by $3 million per year by 2024.

Poultry – Providing the 4th largest source of state farm cash receipts at $379 million, Oklahoma poultry producers benefit from the FTA

- United States poultry exporters currently face tariffs as high as 164% on both fresh and frozen products, and the WTO permits tariffs as high as 250%.
- Each DR-CAFTA country will provide immediate duty-free access on chicken leg quarters, a product where the United States is the world's most competitive exporter, through country-specific TRQs that expand annually as tariffs are eliminated in 17 to 20 years.
- Costa Rica and the Dominican Republic will establish duty-free TRQs for chicken leg quarters totaling 850 metric tons, each expanding by 10% annually. The other four Central American countries will establish a total regional duty-free TRQ of 21,810 metric tons (with individual country minimum quota levels). After year 12, the TRQ quantity will be no less than 5% of regional chicken production.
- Duties on poultry products such as wings, breast meat and mechanically de-boned poultry meat will be reduced more quickly, with many eliminated within 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Oklahoma will increase poultry exports to the six countries by $10 million per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Estimated Trade Impact of DR-CAFTA on Oklahoma for Selected Commodities
(Values in Million Dollars)

	1999-2001 OK Exports		2024 Imports from OK		DR-CAFTA
			Without	**With**	
Commodity	Total	DR-CAFTA	DR-CAFTA	DR-CAFTA	Difference
Dairy	1.33	0.03	0.04	0.12	0.08
Cotton	14.89	0.30	0.51	0.66	0.15
Feed Grains	37.48	0.75	1.42	1.57	0.14
Fruits	1.63	0.03	0.07	0.10	0.03
Meats	86.47	1.73	10.03	23.07	13.04
Poultry	45.72	0.91	5.94	15.45	9.51
Soybean & Products	14.14	0.28	0.59	0.71	0.12
Sugar	N/A	N/A	N/A	N/A	0.00
Rice	0.00	0.00	0.00	0.00	0.00
Vegetables	0.57	0.01	0.03	0.04	0.01
Wheat	260.76	5.22	9.39	12.20	2.82
Total	463.00	9.26	28.03	53.92	**25.90**

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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Oregon Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost Oregon's farm prices and income. Such exports help support about 11,139 jobs both on and off the farm in food processing, storage, and transportation. In 2003, Oregon's farm cash receipts were $3.2 billion, and agricultural exports were estimated at $705 million, putting its reliance on agricultural exports at 21%. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase Oregon's exports of agricultural products.

Oregon Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including Oregon's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Fruits – As the nation's 4th largest exporter of fruits and preparations, and with exports of $108 million, Oregon fruit producers benefit from the FTA.

- With $76 million in cash receipts, Oregon apple and pear producers, who currently face tariffs as high as 25%, benefit from immediate duty elimination by all DR-CAFTA countries on fresh apples and pears.
- Providing over $36 million in cash receipts, Oregon grape producers benefit from the immediate elimination of tariffs on grapes by all DR-CAFTA countries. Current tariffs on grapes can reach 20% in DR-CAFTA countries, and under WTO rules, could rise to as high as 135%.
- United States suppliers of blueberries, cherries, cranberries, and strawberries currently face tariffs as high as 20%, and the WTO permits tariffs as high as 60%.
- Contributing $45 million in farm cash receipts, Oregon's cherry producers, who currently face tariffs as high as 20%, benefit from immediate duty elimination by all DR-CAFTA countries on cherries.
- Providing nearly $39 million in cash receipts, Oregon blueberry and cranberry producers benefit from immediate duty elimination on fresh and frozen blueberries and cranberries by all DR-CAFTA countries except Cost Rica, that will phase-out its duty on fresh blueberries and cranberries within 5 years and the Dominican Republic that will phase-out its duty on frozen blueberries and cranberries in 15 years.
- With cash receipts of $14 million, Oregon strawberry producers benefit from immediate duty elimination on fresh strawberries in Honduras and frozen strawberries in El Salvador, Guatemala and Honduras. Duties on fresh and frozen strawberries in other countries will be phased-out over 5 to 15 years.
- Oregon raspberry producers benefit from immediate duty elimination on fresh raspberries in Honduras and on frozen raspberries in El Salvador, Guatemala and Honduras. Duties on fresh raspberries will be phased-out over 5 years in El Salvador and Guatemala, over 10 years in Costa Rica and Nicaragua, and over 15 years in the Dominican Republic. Duties on frozen raspberries will be phased out over 10 years in Costa Rica and Nicaragua and over 15 years in the Dominican Republic.

- The AFBF economic analysis of DR-CAFTA estimates that Oregon will increase fruit exports to the six countries by $2 million per year by 2024.

Vegetables – As the state's 2nd largest agricultural export category and the 6th largest source of exports in the nation, Oregon's vegetable producers benefit from the FTA.

- With nearly $128 million in farm cash receipts, Oregon's potato producers benefit from immediate duty elimination on certain potato products, including frozen french fries, which will be duty-free immediately in most DR-CAFTA countries. All tariffs will be eliminated in 15 years, except for fresh potatoes in Costa Rica, where liberalization will occur through expanded TRQ access, with an initial quantity of 300 metric tons. Current tariffs in the DR-CAFTA countries are generally 15%, and the WTO permits tariffs as high as 60%.
- United States suppliers of fresh, frozen and canned asparagus currently face tariffs as high as 20%, and the WTO permits tariffs as high as 60%. Duties on some asparagus products will benefit from immediate duty elimination in some countries, with others phased-out over 5 to 15 years.
- The AFBF economic analysis of DR-CAFTA estimates that Oregon will increase vegetable exports to the six countries by $3 million per year by 2024.

Wheat – With $104 million in export sales and total farm cash receipts of $155 million, Oregon's wheat producers benefit from the FTA.

- United States grain suppliers will benefit from zero tariffs immediately on wheat and barley in all six countries, as well as on some processed grain products.
- The WTO generally permits tariffs up to 60%, but can exceed 100%.
- The AFBF economic analysis of DR-CAFTA estimates that Oregon will increase wheat exports to the six countries by $1 million per year by 2024.

Beef – Providing the state's 2nd largest source of farm cash receipts, Oregon cattle and calve producers benefit from the FTA.

- Current import tariffs on United States beef exports are as high as 30%, and the WTO permits tariffs as high as 79%.
- Duties on the products most important to the United States beef industry – Prime and Choice cuts – will be eliminated immediately in Central American countries, while the Dominican Republic will establish a zero duty TRQ of 1,100 metric tons which expands annually as tariffs are eliminated. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- Some immediate duty-free access will be provided by certain countries on other beef cuts through an initial TRQ totaling 1,165 metric tons, expanding annually until tariffs are fully phased-out.
- Duties currently applied to other beef products and beef offals will be phased-out in 5 to 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Oregon will increase meat (beef and pork) exports to the six countries by $1 million per year by 2024.

Dairy – Providing the 3rd largest source of farm cash receipts, Oregon's dairy producers benefit from the FTA.

- United States dairy exporters currently face tariffs as high as 60%, and the WTO permits tariffs as high as 100%.
- Each country will establish duty-free TRQs for certain dairy products totaling over 10,000 metric tons across the six countries – and each will receive the same level of TRQ access for dairy products entering the United States.
- TRQs will grow by 5% per year for the Central American countries and 10% per year for the Dominican Republic, with certain dairy products subject to safeguards during the phase-out period.
- All Central American and Dominican tariffs will be eliminated within 20 years, with tariffs on some dairy products eliminated earlier.
- The AFBF economic analysis of DR-CAFTA estimates that Oregon will increase dairy exports to the six countries by $1 million per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Estimated Trade Impact of DR-CAFTA on Oregon for Selected Commodities

(Values in Million Dollars)

	1999-2001 OR Exports		2024 Imports from OR		DR-CAFTA
			Without	**With**	
Commodity	Total	DR-CAFTA	DR-CAFTA	DR-CAFTA	Difference
Dairy	12.95	0.26	0.41	1.20	0.79
Cotton	0.00	0.00	0.00	0.00	0.00
Feed Grains	7.05	0.14	0.27	0.29	0.03
Fruits	100.33	2.01	4.41	6.18	1.77
Meats	7.55	0.15	0.88	2.01	1.14
Poultry	2.38	0.05	0.31	0.80	0.50
Soybean & Products	0.00	0.00	0.00	0.00	0.00
Sugar	N/A	N/A	N/A	N/A	0.00
Rice	0.00	0.00	0.00	0.00	0.00
Vegetables	156.88	3.14	6.90	9.66	2.76
Wheat	98.79	1.98	3.56	4.62	1.07
Total	385.93	7.72	16.74	24.78	**8.04**

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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Pennsylvania Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost Pennsylvania's farm prices and income. Such exports help support about 13,383 jobs both on and off the farm in food processing, storage, and transportation. In 2003, Pennsylvania's farm cash receipts were $4.2 billion, and agricultural exports were estimated at $1 billion, putting its reliance on agricultural exports at 24%. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase Pennsylvania's exports of agricultural products.

Pennsylvania Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including Pennsylvania's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Dairy – As the nation's 6th largest dairy exporter with farm cash receipts of $1.4 billion, Pennsylvania benefits from the FTA.

- United States dairy exporters currently face tariffs as high as 60%, and the WTO permits tariffs as high as 100%.
- Each country will establish duty-free TRQs for certain dairy products totaling over 10,000 metric tons across the six countries – and each will receive the same level of TRQ access for dairy products entering the United States. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- TRQs will grow by 5% per year for the Central American countries and 10% per year for the Dominican Republic, with certain dairy products subject to safeguards during the phase-out period.
- All Central American and Dominican tariffs will be eliminated within 20 years, with tariffs on some dairy products eliminated earlier.
- The AFBF economic analysis of DR-CAFTA estimates that Pennsylvania will increase dairy exports to the six countries by $3 million per year by 2024.

Poultry – As the nation's 8th largest poultry exporter and providing nearly $750 million in state farm cash receipts, Pennsylvania poultry producers benefit from the FTA.

- United States poultry exporters currently face tariffs as high as 164% on both fresh and frozen products, and the WTO permits tariffs as high as 250%.
- Each DR-CAFTA country will provide immediate duty-free access on chicken leg quarters through country-specific TRQs that expand annually as tariffs are eliminated in 17 to 20 years.
- Costa Rica and the Dominican Republic will establish duty-free TRQs for chicken leg quarters totaling 850 metric tons, each expanding by 10% annually. The other four Central American countries will establish a total regional duty-free TRQ of 21,810 metric

tons (with individual country minimum quota levels). After year 12, the TRQ quantity will be no less than 5% of regional chicken production.

- Duties on poultry products such as wings, breast meat and mechanically de-boned poultry meat will be reduced more quickly, with many eliminated within 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Pennsylvania will increase poultry exports to the six countries by $13 million per year by 2024.

Beef – With farm cash receipts of $442 million, Pennsylvania cattle and calf operators benefit.

- Current import tariffs on United States beef exports are as high as 30%, and the WTO permits tariffs as high as 79%.
- Duties on the products most important to the United States beef industry – Prime and Choice cuts – will be eliminated immediately in Central American countries, while the Dominican Republic will establish a zero duty TRQ of 1,100 metric tons which expands annually as tariffs are eliminated.
- Some immediate duty-free access will be provided by certain countries on other beef cuts through an initial TRQ totaling 1,165 metric tons, expanding annually until tariffs are fully phased-out.
- Duties currently applied to other beef products offals will be phased-out in 5 to 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Pennsylvania will increase meat (beef and pork) exports to the six countries by $24 million per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Estimated Trade Impact of DR-CAFTA on Pennsylvania for Selected Commodities
(Values in Million Dollars)

	1999-2001 PA Exports		2024 Imports from PA		DR-CAFTA
			Without	**With**	
Commodity	Total	DR-CAFTA	DR-CAFTA	DR-CAFTA	Difference
Dairy	53.29	1.07	1.71	4.95	3.24
Cotton	0.00	0.00	0.00	0.00	0.00
Feed Grains	67.13	1.34	2.55	2.81	0.26
Fruits	28.34	0.57	1.25	1.75	0.50
Meats	157.53	3.15	18.27	42.03	23.75
Poultry	64.67	1.29	8.41	21.86	13.45
Soybean & Products	34.63	0.69	1.45	1.75	0.29
Sugar	N/A	N/A	N/A	N/A	0.00
Rice	0.00	0.00	0.00	0.00	0.00
Vegetables	19.95	0.40	0.88	1.23	0.35
Wheat	99.80	2.00	3.59	4.67	1.08
Total	525.34	10.51	38.11	81.03	**42.92**

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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Rhode Island Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost Rhode Island's farm prices and income. Such exports help support about 2,340 jobs both on and off the farm in food processing, storage, and transportation. In 2003, Rhode Island's net farm income was $10 million, and agricultural exports were estimated at $3 million. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase Rhode Island's exports of agricultural products.

Rhode Island Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including Rhode Island's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Poultry – Rhode Island poultry producers will benefit from the DR-CAFTA.

- United States poultry exporters currently face tariffs as high as 164% on both fresh and frozen products and the WTO permits tariffs as high as 250%.
- Each DR-CAFTA country will provide immediate duty-free access on chicken leg quarters, a product where the United States is the world's most competitive exporter, through country-specific TRQs that expand annually as tariffs are eliminated in 17 to 20 years. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff on imports in excess of the quota volume.)
- Costa Rica and the Dominican Republic will establish duty-free TRQs for chicken leg quarters totaling 850 metric tons, each expanding by 10% annually. The other four Central American countries will establish a total regional duty-free TRQ of 21,810 metric tons (with individual country minimum quota levels). After year 12, the TRQ quantity will be no less than 5% of regional chicken production.
- Duties on poultry products such as wings, breast meat and mechanically de-boned poultry meat will be reduced more quickly, with many eliminated within 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Rhode Island will increase poultry exports to the six countries by $0.01 million per year by 2024.

One line of the USTR's Trade Fact Sheet describing the agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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South Carolina Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost South Carolina's farm prices and income. Such exports help support about 3,918 jobs both on and off the farm in food processing, storage, and transportation. In 2003, South Carolina's farm cash receipts were $1.6 billion, and agricultural exports were estimated at $248 million, putting its reliance on agricultural exports at 15%. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase South Carolina's exports of agricultural products.

South Carolina Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including South Carolina's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Poultry – Providing the top source of farm cash receipts and the 2nd largest source of agricultural exports, South Carolina poultry producers benefit from the FTA.

- United States poultry exporters currently face tariffs as high as 164% on both fresh and frozen products and the WTO permits tariffs as high as 250%.
- Each DR-CAFTA country will provide immediate duty-free access on chicken leg quarters, a product where the United States is the world's most competitive exporter, through country-specific TRQs that expand annually as tariffs are eliminated in 17 to 20 years. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- Costa Rica and the Dominican Republic will establish duty-free TRQs for chicken leg quarters totaling 850 metric tons, each expanding by 10% annually. The other four Central American countries will establish a total regional duty-free TRQ of 21,810 metric tons (with individual country minimum quota levels). After year 12, the TRQ quantity will be no less than 5% of regional chicken production.
- Duties on poultry products such as wings, breast meat and mechanically de-boned poultry meat will be reduced more quickly, with many eliminated within 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that South Carolina will increase poultry exports to the six countries by $11 million per year by 2024.

Soybeans and Products – As the 4th largest agricultural export from the state, South Carolina soybean producers benefit from the FTA.

- Central American and Dominican import tariffs range from zero to 20%, and the WTO permits tariffs as high 90%.
- DR-CAFTA countries will provide immediate duty-free access for soybeans. Duties on soybean meal and flour will be eliminated immediately in most DR-CAFTA countries.

- Most DR-CAFTA countries will immediately eliminate tariffs on crude soybean oil, and the current tariffs on refined soybean oil phased out over 12 to 15 years.
- The AFBF economic analysis of DR-CAFTA estimates that South Carolina will increase soybean and product exports to the six countries by $0.25 million per year by 2024.

Wheat – As the 3rd largest agricultural export from the state, South Carolina wheat producers benefit from the FTA.

- United States grain suppliers will benefit from zero tariffs immediately on wheat in all six countries, as well as on some processed grain products.
- The WTO generally permits tariffs up to 60%, but can exceed 100%.
- The AFBF economic analysis of DR-CAFTA estimates that South Carolina will increase wheat exports to the six countries by $0.25 million per year by 2024.

Beef – Providing the 5th largest source of farm cash receipts, South Carolina cattle and calve operators benefit from the FTA.

- Current import tariffs on United States beef exports are as high as 30%, and the WTO permits tariffs as high as 79%.
- Duties on the products most important to the United States beef industry – Prime and Choice cuts – will be eliminated immediately in Central American countries, while the Dominican Republic will establish a zero duty TRQ of 1,100 metric tons which expands annually as tariffs are eliminated.
- Some immediate duty-free access will be provided by certain countries on other beef cuts through an initial TRQ totaling 1,165 metric tons, expanding annually until tariffs are fully phased-out.
- Duties currently applied to other beef products and beef offals will be phased-out in 5 to 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that South Carolina will increase meat (beef and pork) exports to the six countries by $0.2 million per year by 2024.

Cotton – As the 5th largest source of state agricultural exports, South Carolina cotton producers benefit from zero tariffs that the FTA locks-in immediately for markets worth over $73.1 million to United States cotton suppliers.

- Under the WTO, DR-CAFTA countries could raise tariffs on cotton to 35 to 60%, depending on the country.
- The AFBF economic analysis of DR-CAFTA estimates that South Carolina will increase cotton exports to the six countries by $0.35 million per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Estimated Trade Impact of DR-CAFTA on South Carolina for Selected Commodities
(Values in Million Dollars)

	1999-2001 SC Exports		2024 Imports from SC		DR-CAFTA
			Without	**With**	
Commodity	Total	DR-CAFTA	DR-CAFTA	DR-CAFTA	Difference
Dairy	0.00	0.00	0.00	0.00	0.00
Cotton	34.54	0.69	1.17	1.53	0.35
Feed Grains	10.29	0.21	0.39	0.43	0.04
Fruits	5.95	0.12	0.26	0.37	0.10
Meats	0.91	0.02	0.11	0.24	0.14
Poultry	52.72	1.05	6.85	17.82	10.97
Soybean & Products	24.69	0.49	1.04	1.24	0.21
Sugar	N/A	N/A	N/A	N/A	0.00
Rice	0.00	0.00	0.00	0.00	0.00
Vegetables	5.35	0.11	0.24	0.33	0.09
Wheat	24.29	0.49	0.87	1.14	0.26
Total	158.74	3.17	10.93	23.10	**12.16**

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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South Dakota Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost South Dakota's farm prices and income. Such exports help support about 13,678 jobs both on and off the farm in food processing, storage, and transportation. In 2003, South Dakota's farm cash receipts were $4 billion, and agricultural exports were estimated at $894 million, putting its reliance on agricultural exports at 22%. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase South Dakota's exports of agricultural products.

South Dakota Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including South Dakota's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Beef – As the top source of farm cash receipts at over $1.5 billion, South Dakota cattle and calf operators benefit from the FTA.

- Current import tariffs on United States beef exports are as high as 30%, and the WTO permits tariffs as high as 79%.
- Duties on the products most important to the United States beef industry – Prime and Choice cuts – will be eliminated immediately in Central American countries, while the Dominican Republic will establish a zero duty TRQ of 1,100 metric tons which expands annually as tariffs are eliminated. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- Some immediate duty-free access will be provided by certain countries on other beef cuts through an initial TRQ totaling 1,165 metric tons, expanding annually until tariffs are fully phased-out.
- Duties currently applied to other beef products and beef offals will be phased-out in 5 to 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that South Dakota will increase meat (beef and pork) exports to the six countries by $16 million per year by 2024.

Pork – Providing the 5th largest source of state farm cash receipts, South Dakota pork producers benefit from the duty-free access on pork cuts for each DR-CAFTA country.

- United States pork exporters currently face tariffs as high as 47%, and the WTO permits tariffs as high as 60%.
- The opportunity for trade created through the TRQs total 13,613 tons, expanding by 5 to 15% per year until tariffs are eliminated.

- Central American countries will immediately eliminate tariffs on bacon and some offal products, while the Dominican Republic will establish TRQs for bacon and fat that expand annually.
- All DR-CAFTA tariffs will be eliminated within 15 years and certain products will be subject to safeguards in some countries.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that South Dakota will increase meat (beef and pork) exports to the six countries by $16 million per year by 2024.

Soybeans and Products – As the top state agricultural export and the 2nd largest source of farm cash receipts, South Dakota soybean producers benefits from the FTA.

- Central American and Dominican import tariffs range from zero to 20%, and the WTO permits tariffs as high 90%.
- DR-CAFTA countries will provide immediate duty-free access for soybeans. Duties on soybean meal and flour will be eliminated immediately in most DR-CAFTA countries.
- Most DR-CAFTA countries will immediately eliminate tariffs on crude soybean oil, and the current tariffs on refined soybean oil phased out over 12 to 15 years.
- The AFBF economic analysis of DR-CAFTA estimates that South Dakota will increase soybean and product exports to the six countries by $3 million per year by 2024.

Corn – Providing the 3rd largest source of farm cash receipts and state agricultural exports, South Dakota corn producers benefit from the FTA.

- United States corn exporters face tariffs up to 35%, and the WTO permits tariffs as high as 75%.
- Costa Rica and the Dominican Republic will eliminate their duty on yellow corn immediately. The other countries will provide preferential access through individual duty-free TRQs totaling 1,151,259 metric tons initially, growing by 5% per year as the over-quota tariffs are phased out over 15 years (10 years in the case of Guatemala).
- All currently applied tariffs on corn products (including corn flour, corn gluten feed, corn oil and high fructose corn syrup) will be phased-out in 15 years.
- The AFBF economic analysis of DR-CAFTA estimates that South Dakota will increase feed grain exports to the six countries by $1 million per year by 2024.

Wheat – As the 4th largest source of state farm cash receipts, South Dakota wheat producers benefit from the FTA.

- United States grain suppliers will benefit from zero tariffs immediately on wheat in all six countries, as well as on some processed grain products.
- The WTO generally permits tariffs up to 60%, but can exceed 100%.
- The AFBF economic analysis of DR-CAFTA estimates that South Dakota will increase wheat exports to the six countries by $2 million per year by 2024.

Dairy – Providing the 6th largest source of state farm cash receipts, South Dakota dairy producers benefit from the FTA.

- United States dairy exporters currently face tariffs as high as 60%, and the WTO permits tariffs as high as 100%.
- Each country will establish duty-free TRQs for certain dairy products totaling over 10,000 metric tons across the six countries – and each will receive the same level of TRQ access for dairy products entering the United States.

- TRQs will grow by 5% per year for the Central American countries and 10% per year for the Dominican Republic, with certain dairy products subject to safeguards during the phase-out period.
- All Central American and Dominican tariffs will be eliminated within 20 years, with tariffs on some dairy products eliminated earlier.
- The AFBF economic analysis of DR-CAFTA estimates that South Dakota will increase dairy exports to the six countries by $0.3 million per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Estimated Trade Impact of DR-CAFTA on South Dakota for Selected Commodities
(Values in Million Dollars)

	1999-2001 SD Exports		2024 Imports from SD		DR-CAFTA
			Without	**With**	
Commodity	Total	DR-CAFTA	DR-CAFTA	DR-CAFTA	Difference
Dairy	5.63	0.11	0.18	0.52	0.34
Cotton	0.00	0.00	0.00	0.00	0.00
Feed Grains	263.57	5.27	10.02	11.02	1.00
Fruits	0.00	0.00	0.00	0.00	0.00
Meats	104.40	2.09	12.11	27.85	15.74
Poultry	6.06	0.12	0.79	2.05	1.26
Soybean & Products	353.37	7.07	14.84	17.81	2.97
Sugar	N/A	N/A	N/A	N/A	0.00
Rice	0.00	0.00	0.00	0.00	0.00
Vegetables	2.19	0.04	0.10	0.14	0.04
Wheat	177.97	3.56	6.41	8.33	1.92
Total	913.19	18.26	44.44	67.72	**23.28**

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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Tennessee Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost Tennessee's farm prices and income. Such exports help support about 10,254 jobs both on the farm and off the farm in food processing, storage, and transportation. In 2003, Tennessee's farm cash receipts were $2.3 billion, and agricultural exports were estimated at $649 million, putting its reliance on agricultural exports at 28%. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase Tennessee's exports of agricultural products.

Tennessee Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including Tennessee's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Beef – Providing the largest source of state farm cash receipts, Tennessee cattle and calve operators benefit from the FTA.

- Current import tariffs on United States beef exports are as high as 30%, and the WTO permits tariffs as high as 79%.
- Duties on the products most important to the United States beef industry – Prime and Choice cuts – will be eliminated immediately in Central American countries, while the Dominican Republic will establish a zero duty TRQ of 1,100 metric tons which expands annually as tariffs are eliminated. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- Some immediate duty-free access will be provided by certain countries on other beef cuts through an initial TRQ totaling 1,165 metric tons, expanding annually until tariffs are fully phased-out.
- Duties currently applied to other beef products and beef offals will be phased-out in 5 to 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Tennessee will increase meat (beef and pork) exports to the six countries by $3 million per year by 2024.

Poultry – Providing the state's 2nd largest source of farm cash receipts, Tennessee poultry producers and processors benefit from the FTA.

- United States poultry exporters currently face tariffs as high as 164% on both fresh and frozen products, and the WTO permits tariffs as high as 250%.
- Each DR-CAFTA country will provide immediate duty-free access on chicken leg quarters, a product where the United States is the world's most competitive exporter, through country-specific TRQs that expand annually as tariffs are eliminated in 17 to 20 years.

- Costa Rica and the Dominican Republic will establish duty-free TRQs for chicken leg quarters totaling 850 metric tons, each expanding by 10% annually. The other four Central American countries will establish a total regional duty-free TRQ of 21,810 metric tons (with individual country minimum quota levels). After year 12, the TRQ quantity will be no less than 5% of regional chicken production.
- Duties on poultry products such as wings, breast meat and mechanically de-boned poultry meat will be reduced more quickly, with many eliminated within 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Tennessee will increase poultry exports to the six countries by $6 million per year by 2024.

Soybeans – As the state's 2nd largest agricultural export and 4th largest source of farm cash receipts, Tennessee soybean producers benefit from the FTA.
- Central American and Dominican import tariffs range from zero to 20%, and the WTO permits tariffs as high 90%.
- DR-CAFTA countries will provide immediate duty-free access for soybeans. Duties on soybean meal and flour will be eliminated immediately in most DR-CAFTA countries.
- Most DR-CAFTA countries will immediately eliminate tariffs on crude soybean oil, and the current tariffs on refined soybean oil phased out over 12 to 15 years.
- The AFBF economic analysis of DR-CAFTA estimates that Tennessee will increase soybean and product exports to the six countries by $0.6 million per year by 2024.

Corn – As the state's 6th leading source of farm cash receipts, Tennessee corn producers benefit from the FTA.
- United States corn exporters face tariffs up to 35%, and the WTO permits tariffs as high as 75%.
- Costa Rica and the Dominican Republic will eliminate their duty on yellow corn immediately. The other countries will provide preferential access through individual duty-free TRQs totaling 1,151,259 metric tons initially, growing by 5% per year as the over-quota tariffs are phased out over 15 years (10 years in the case of Guatemala).
- All currently applied tariffs on corn products (including corn flour, corn gluten feed, corn oil and high fructose corn syrup) will be phased-out in 15 years.
- The AFBF economic analysis of DR-CAFTA estimates that Tennessee will increase feed grain exports to the six countries by $0.2 million per year by 2024.

Cotton – Providing the 5th largest source of state farm cash receipts and the largest state agricultural export, Tennessee's cotton farmers benefit from zero tariffs that the FTA locks-in immediately for markets worth over $55 million to United States cotton suppliers.
- Under the WTO, DR-CAFTA countries could raise tariffs on cotton to 35 to 60%, depending on the country.
- The AFBF economic analysis of DR-CAFTA estimates that Tennessee will increase cotton exports to the six countries by $0.7 million per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Estimated Trade Impact of DR-CAFTA on Tennessee for Selected Commodities
(Values in Million Dollars)

	1999-2001 TN Exports		2024 Imports from TN		DR-CAFTA
			Without	**With**	
Commodity	Total	DR-CAFTA	DR-CAFTA	DR-CAFTA	Difference
Dairy	9.15	0.18	0.29	0.85	0.56
Cotton	63.68	1.27	2.17	2.81	0.65
Feed Grains	38.82	0.78	1.48	1.62	0.15
Fruits	0.74	0.01	0.03	0.05	0.01
Meats	18.57	0.37	2.15	4.96	2.80
Poultry	30.08	0.60	3.91	10.17	6.26
Soybean & Products	70.52	1.41	2.96	3.55	0.59
Sugar	N/A	N/A	N/A	N/A	0.00
Rice	0.00	0.00	0.00	0.00	0.00
Vegetables	5.22	0.10	0.23	0.32	0.09
Wheat	66.45	1.33	2.39	3.11	0.72
Total	303.23	6.06	15.61	27.44	**11.83**

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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Texas Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost Texas' farm prices and income. Such exports help support about 53,720 jobs both on and off the farm in food processing, storage, and transportation. In 2003, Texas' farm cash receipts were $15.3 billion, and agricultural exports were estimated at $3.4 billion, putting its reliance on agricultural exports at 22%. Implementation of the Dominican Republic – Central American Free Trade Agreement (DR-CAFTA) will increase Texas' exports of agricultural products.

Texas Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including Texas' key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Beef – Providing over one-half of the state's farm cash receipts ($7.8 billion) and as the nation's 3rd largest exporter of live animals and meat, Texas cattle and calf producers benefit from the DR-CAFTA.

- Current import tariffs on United States beef exports are as high as 30%, and the WTO permits tariffs as high as 79%.
- Tariffs on the products most important to the United States beef industry – Prime and Choice cuts – will be eliminated immediately in Central American countries, while the Dominican Republic will establish a zero duty TRQ of 1,100 metric tons which expands annually as tariffs are eliminated. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- Some immediate duty-free access will be provided by certain countries on other beef cuts through an initial TRQ totaling 1,165 metric tons, expanding annually until tariffs are fully phased-out.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Texas will increase meat (beef and pork) exports to the six countries by $113 million per year by 2024.

Cotton – As the nation's #1 exporter of cotton and with farm cash receipts totaling $1.3 billion, Texas cotton farmers will benefit from the DR-CAFTA.

- Under the WTO, DR-CAFTA countries could raise tariffs on cotton to 35% to 60%, depending on the country.
- The DR-CAFTA will lock-in immediately zero tariffs for markets worth over $55 million to United States cotton suppliers.
- The AFBF economic analysis of DR-CAFTA estimates that Texas will increase cotton exports to the six countries by $4 million per year by 2024.

Poultry – Providing the 4th largest source of state farm cash receipts at over $1 billion, Texas poultry producers will benefit from the DR-CAFTA.

- United States poultry exporters currently face tariffs as high as 164% on both fresh and frozen products and the WTO permits tariffs as high as 250%.
- Each DR-CAFTA country will provide immediate duty-free access on chicken leg quarters, a product where the United States is the world's most competitive exporter, through country-specific TRQ's that expand annually as tariffs are eliminated in 17 to 20 years.
- Costa Rica and the Dominican Republic will establish duty-free TRQ's for chicken leg quarters totaling 850 metric tons, each expanding by 10% annually. The other four Central American countries will establish a total regional duty-free TRQ of 21,810 metric tons (with individual country minimum quota levels). After year 12, the TRQ quantity will be no less than 5% of regional chicken production.
- Tariffs on poultry products such as wings, breast meat and mechanically de-boned poultry meat will be reduced more quickly, with many eliminated within 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Texas will increase poultry exports to the six countries by $23 million per year by 2024.

Dairy – Providing the 5th largest source of farm cash receipts, Texas dairy producers benefit from the DR-CAFTA.

- United States dairy exporters currently face tariffs as high as 60%, and the WTO permits tariffs as high as 100%.
- Each country will establish duty-free TRQ's for certain dairy products totaling over 10,000 metric tons across the six countries – and each will receive the same level of TRQ access for dairy products entering the United States.
- TRQ's will grow by 5% per year for the Central American countries and 10% per year for the Dominican Republic, with certain dairy products subject to safeguards during the phase-out period.
- All Central American and Dominican Republic tariffs will be eliminated within 20 years, with tariffs on some dairy products eliminated earlier.
- The AFBF economic analysis of DR-CAFTA estimates that Texas will increase dairy exports to the six countries by $1.5 million per year by 2024.

Corn – As the nation's 7th largest exporter of feed grains, Texas corn producers benefit from the DR-CAFTA.

- United States corn exporters face tariffs up to 35%, and the WTO permits tariffs as high as 75%.
- Costa Rica and the Dominican Republic will eliminate their duty on yellow corn immediately. The other countries will provide preferential access through individual duty-free TRQ's totaling 1,151,259 metric tons initially, growing by 5% per year as the over-quota tariffs are phased out over 15 years (10 years in the case of Guatemala).
- All currently applied tariffs on corn products (including corn flour, corn gluten feed, corn oil and high fructose corn syrup) will be phased-out in 15 years.
- The AFBF economic analysis of DR-CAFTA estimates that Texas will increase feed grain exports to the six countries by $1 million per year by 2024.

Rice – With $82 million in farm cash receipts, Texas rice producers benefit from the DR-CAFTA.

- United States rice exports face DR-CAFTA tariffs up to 60%, and the WTO permits tariffs as high as 90%.

- Each DR-CAFTA country will establish zero duty TRQ's for milled rice, and rough rice in all except the Dominican Republic (which will have a TRQ for brown rice).
- In the first year of the DR-CAFTA, the TRQ access will total over 400,000 metric tons immediately and will grow through the tariff phase-out period.
- The AFBF economic analysis of DR-CAFTA estimates that Texas will increase rice exports to the six countries by $1 million per year by 2024.

Sugar – The Texas farms engaged in sugar production will face no cuts in the over 100% out-of-quota duty on United States sugar that currently protects domestic producers.

- The United States will establish TRQ's for DR-CAFTA countries, starting at 107,000 metric tons. In the first year of implementation, increased market access in sugar will amount to about 1.2% of annual United States sugar consumption. This amount grows very slowly by 2% a year into perpetuity, so that by year 15 of FTA implementation the increased access on sugar (about 151,000 metric tons) amounts to about 1.7% of consumption. The United States will also establish a quota for specialty sugar goods of Costa Rica in the amount of 2,000 metric tons annually.
- Provisions will ensure only net surplus exporting countries in the region have access to the new access, and provisions have been agreed to allow alternative forms of compensation to be established to facilitate sugar stock management by the United States.
- The AFBF economic analysis of DR-CAFTA estimates that Texas will lose $2 million from increased sugar imports from the six countries per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Estimated Trade Impact of DR-CAFTA on Texas for Selected Commodities
(Values in Million Dollars)

	1999-2001 TX Exports		2024 Imports from TX		DR-CAFTA
			Without	**With**	
Commodity	Total	DR-CAFTA	DR-CAFTA	DR-CAFTA	Difference
Dairy	23.76	0.48	0.76	2.21	1.44
Cotton	441.09	8.82	15.00	19.50	4.50
Feed Grains	285.22	5.70	10.84	11.92	1.08
Fruits	46.46	0.93	2.04	2.86	0.82
Meats	750.09	15.00	87.01	200.12	113.11
Poultry	112.54	2.25	14.63	38.04	23.41
Soybean & Products	19.05	0.38	0.80	0.96	0.16
Sugar	N/A	N/A	N/A	N/A	-2.42
Rice	77.60	1.55	3.57	5.00	1.43
Vegetables	56.13	1.12	2.47	3.46	0.99
Wheat	202.64	4.05	7.29	9.48	2.19
Total	2,014.58	40.29	144.41	293.55	**146.72**

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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Utah Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost Utah's farm prices and income. Such exports help support about 5,390 jobs both on and off the farm in food processing, storage, and transportation. In 2003, Utah's net farm income was $368 million, and agricultural exports were estimated at $256 million. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase Utah's exports of agricultural products.

Utah Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including Utah's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Beef – Providing over one-third of the state's farm cash receipts at more than $400 million, Utah cattle and calf producers benefit from the FTA.

- Current import tariffs on United States beef exports are as high as 30%, and the WTO permits tariffs as high as 79%.
- Duties on the products most important to the United States beef industry – Prime and Choice cuts – will be eliminated immediately in Central American countries, while the Dominican Republic will establish a zero duty TRQ of 1,100 metric tons which expands annually as tariffs are eliminated. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- Some immediate duty-free access will be provided by certain countries on other beef cuts through an initial TRQ totaling 1,165 metric tons, expanding annually until tariffs are fully phased-out.
- Duties currently applied to other beef products and beef offals will be phased-out in 5 to 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Utah will increase meat (beef and pork) exports to the six countries by $8 million per year by 2024.

Dairy – As the nation's 11th largest dairy exporter with farm cash receipts of $194 million, Utah benefits from the FTA.

- United States dairy exporters currently face tariffs as high as 60%, and the WTO permits tariffs as high as 100%.
- Each country will establish duty-free TRQs for certain dairy products totaling over 10,000 metric tons across the six countries – and each will receive the same level of TRQ access for dairy products entering the United States. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of

imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)

- TRQs will grow by 5% per year for the Central American countries and 10% per year for the Dominican Republic, with certain dairy products subject to safeguards during the phase-out period.
- All Central American and Dominican tariffs will be eliminated within 20 years, with tariffs on some dairy products eliminated earlier.
- The AFBF economic analysis of DR-CAFTA estimates that Utah will increase dairy exports to the six countries by $0.7 million per year by 2024.

Wheat – As the nation's 26th largest exporter, Utah wheat producers will also benefit from the DR-CAFTA.

- United States grain suppliers will benefit from zero tariffs immediately on wheat in all six countries, as well as on some processed grain products.
- The WTO generally permits tariffs up to 60%, but can exceed 100%.
- The AFBF economic analysis of DR-CAFTA estimates that Utah will increase wheat exports to the six countries by $0.7 million per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Estimated Trade Impact of DR-CAFTA on Utah for Selected Commodities
(Values in Million Dollars)

	1999-2001 UT Exports		2024 Imports from UT		DR-CAFTA
			Without	**With**	
Commodity	Total	DR-CAFTA	DR-CAFTA	DR-CAFTA	Difference
Dairy	11.13	0.22	0.36	1.03	0.68
Cotton	0.00	0.00	0.00	0.00	0.00
Feed Grains	4.66	0.09	0.18	0.19	0.02
Fruits	4.80	0.10	0.21	0.30	0.08
Meats	50.12	1.00	5.81	13.37	7.56
Poultry	1.77	0.04	0.23	0.60	0.37
Soybean & Products	0.00	0.00	0.00	0.00	0.00
Sugar	N/A	N/A	N/A	N/A	0.00
Rice	0.00	0.00	0.00	0.00	0.00
Vegetables	3.26	0.07	0.14	0.20	0.06
Wheat	63.00	1.26	2.27	2.95	0.68
Total	138.74	2.77	9.20	18.64	**9.44**

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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Vermont Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost Vermont's farm prices and income. Such exports help support about 1,900 jobs both on and off the farm in food processing, storage, and transportation. In 2003, Vermont's net farm income was $102 million, and agricultural exports were estimated at $15 million. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase Vermont's exports of agricultural products.

Vermont Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including Pennsylvania's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Dairy – Providing nearly three-quarters of the state's farm cash receipts at more than $340 million, Vermont benefits from the DR-CAFTA.

- United States dairy exporters currently face tariffs as high as 60%, and the WTO permits tariffs as high as 100%.
- Each country will establish duty-free TRQs for certain dairy products totaling over 10,000 metric tons across the six countries – and each will receive the same level of TRQ access for dairy products entering the United States. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- TRQs will grow by 5% per year for the Central American countries and 10% per year for the Dominican Republic, with certain dairy products subject to safeguards during the phase-out period.
- All Central American and Dominican tariffs will be eliminated within 20 years, with tariffs on some dairy products eliminated earlier.
- The AFBF economic analysis of DR-CAFTA estimates that Vermont will increase dairy exports to the six countries by $0.4 million per year by 2024.

Poultry – Vermont poultry producers also benefit from the DR-CAFTA.

- United States poultry exporters currently face tariffs as high as 164% on both fresh and frozen products and the WTO permits tariffs as high as 250%.
- Each DR-CAFTA country will provide immediate duty-free access on chicken leg quarters through country-specific TRQs that expand annually as tariffs are eliminated in 17 to 20 years.
- Costa Rica and the Dominican Republic will establish duty-free TRQs for chicken leg quarters totaling 850 metric tons, each expanding by 10% annually. The other four Central American countries will establish a total regional duty-free TRQ of 21,810 metric tons (with individual country minimum quota levels). After year 12, the TRQ quantity will be no less than 5% of regional chicken production.

- Duties on poultry products such as wings, breast meat and mechanically de-boned poultry meat will be reduced more quickly, with many eliminated within 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Vermont will increase poultry exports to the six countries by $0.06 million per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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Virginia Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost Virginia’s farm prices and income. Such exports help support about 6,888 jobs both on and off the farm in food processing, storage, and transportation. In 2003, Virginia's farm cash receipts were $2.2 billion, and agricultural exports were estimated at $436 million, putting its reliance on agricultural exports at 20%. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase Virginia’s exports of agricultural products.

Virginia Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including Virginia’s key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Poultry – Providing the largest source of farm cash receipts and the 4th largest source of agricultural exports in the state, Virginia poultry producers benefit from the FTA.

- United States poultry exporters currently face tariffs as high as 164% on both fresh and frozen products and the WTO permits tariffs as high as 250%.
- Each DR-CAFTA country will provide immediate duty-free access on chicken leg quarters, a product where the United States is the world’s most competitive exporter, through country-specific TRQs that expand annually as tariffs are eliminated in 17 to 20 years. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- Costa Rica and the Dominican Republic will establish duty-free TRQs for chicken leg quarters totaling 850 metric tons, each expanding by 10% annually. The other four Central American countries will establish a total regional duty-free TRQ of 21,810 metric tons (with individual country minimum quota levels). After year 12, the TRQ quantity will be no less than 5% of regional chicken production.
- Duties on poultry products such as wings, breast meat and mechanically de-boned poultry meat will be reduced more quickly, with many eliminated within 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Virginia will increase poultry exports to the six countries by $15 million per year by 2024.

Beef – As the 2nd largest source of farm cash receipts, Virginia cattle and calf operators benefit from the FTA.

- Current import tariffs on United States beef exports are as high as 30%, and the WTO permits tariffs as high as 79%.
- Duties on the products most important to the United States beef industry – Prime and Choice cuts – will be eliminated immediately in Central American countries, while the

Dominican Republic will establish a zero duty TRQ of 1,100 metric tons which expands annually as tariffs are eliminated.
- Some immediate duty-free access will be provided by certain countries on other beef cuts through an initial TRQ totaling 1,165 metric tons, expanding annually until tariffs are fully phased-out.
- Duties currently applied to other beef products and beef offals will be phased-out in 5 to 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Virginia will increase meat (beef and pork) exports to the six countries by $11 million per year by 2024.

Wheat – As the 2nd largest source of state agricultural exports, Virginia wheat producers benefit from the FTA.
- United States grain suppliers will benefit from zero tariffs immediately on wheat in all six countries, as well as on some processed grain products.
- The WTO generally permits tariffs up to 60%, but can exceed 100%.
- The AFBF economic analysis of DR-CAFTA estimates that Virginia will increase wheat exports to the six countries by $0.6 million per year by 2024.

Soybeans and Products – With nearly 470 thousand acres planted to soybeans, Virginia benefits from the FTA.
- Central American and Dominican import tariffs range from zero to 20%, and the WTO permits tariffs as high 90%.
- DR-CAFTA countries will provide immediate duty-free access for soybeans. Duties on soybean meal and flour will be eliminated immediately in most DR-CAFTA countries.
- Most DR-CAFTA countries will immediately eliminate tariffs on crude soybean oil, and the current tariffs on refined soybean oil phased out over 12 to 15 years.
- The AFBF economic analysis of DR-CAFTA estimates that Virginia will increase soybean and product exports to the six countries by $0.3 million per year by 2024.

Dairy – Providing the 3rd largest source of farm cash receipts, Virginia dairy producers benefit from the FTA.
- United States dairy exporters currently face tariffs as high as 60%, and the WTO permits tariffs as high as 100%.
- Each country will establish duty-free TRQs for certain dairy products totaling over 10,000 metric tons across the six countries – and each will receive the same level of TRQ access for dairy products entering the United States.
- TRQs will grow by 5% per year for the Central American countries and 10% per year for the Dominican Republic, with certain dairy products subject to safeguards during the phase-out period.
- All Central American and Dominican tariffs will be eliminated within 20 years, with tariffs on some dairy products eliminated earlier.
- The AFBF economic analysis of DR-CAFTA estimates that Virginia will increase dairy exports to the six countries by $0.2 million per year by 2024.

Fruits, Including Apples – Virginia apple producers, with farm cash receipts of nearly $25 million, benefit from the FTA.
- DR-CAFTA countries currently charge tariffs as high as 25% on United States apples, and the WTO permits tariffs as high as 138%.
- These tariffs will be eliminated immediately under the FTA.

- The AFBF economic analysis of DR-CAFTA estimates that Virginia will increase fruit exports to the six countries by $0.2 million per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Estimated Trade Impact of DR-CAFTA on Virginia for Selected Commodities

(Values in Million Dollars)

	1999-2001 VA Exports		2024 Imports from VA		DR-CAFTA
			Without	**With**	
Commodity	Total	DR-CAFTA	DR-CAFTA	DR-CAFTA	Difference
Dairy	3.26	0.07	0.10	0.30	0.20
Cotton	15.54	0.31	0.53	0.69	0.16
Feed Grains	21.60	0.43	0.82	0.90	0.08
Fruits	10.02	0.20	0.44	0.62	0.18
Meats	75.42	1.51	8.75	20.12	11.37
Poultry	73.17	1.46	9.51	24.73	15.22
Soybean & Products	33.88	0.68	1.42	1.71	0.28
Sugar	N/A	N/A	N/A	N/A	0.00
Rice	0.00	0.00	0.00	0.00	0.00
Vegetables	10.69	0.21	0.47	0.66	0.19
Wheat	57.96	1.16	2.09	2.71	0.63
Total	301.55	6.03	24.14	52.44	**28.31**

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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Washington Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost Washington's farm prices and income. Such exports help support about 15,700 jobs both on and off the farm in food processing, storage, and transportation. In 2003, Washington's net farm income was $680 million, and agricultural exports were estimated at $1.9 billion. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase Washington's exports of agricultural products.

Washington Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including Washington's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Beef – With cash receipts of nearly $560 million, Washington cattle and calf operators benefit from the FTA.

- Current import tariffs on United States beef exports are as high as 30%, and the WTO permits tariffs as high as 79%.
- Duties on the products most important to the United States beef industry – Prime and Choice cuts – will be eliminated immediately in Central American countries, while the Dominican Republic will establish a zero duty TRQ of 1,100 metric tons which expands annually as tariffs are eliminated.
- Some immediate duty-free access will be provided by certain countries on other beef cuts through an initial TRQ totaling 1,165 metric tons, expanding annually until tariffs are fully phased-out.
- Duties currently applied to other beef products and beef offals will be phased-out in 5 to 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Washington will increase meat (beef and pork) exports to the six countries by $15 million per year by 2024.

Dairy –Washington dairy producers will also benefit from the DR-CAFTA.

- United States dairy exporters currently face tariffs as high as 60%, and the WTO permits tariffs as high as 100%.
- Each country will establish duty-free TRQs for certain dairy products totaling over 10,000 metric tons across the six countries – and each will receive the same level of TRQ access for dairy products entering the United States. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)

- TRQs will grow by 5% per year for the Central American countries and 10% per year for the Dominican Republic, with certain dairy products subject to safeguards during the phase-out period.
- All Central American and Dominican tariffs will be eliminated within 20 years, with tariffs on some dairy products eliminated earlier.
- The AFBF economic analysis of DR-CAFTA estimates that Washington will increase dairy exports to the six countries by $2 million per year by 2024.

Fruits, Including Apples – As the nation's #3 exporter of apples and with farm cash receipts of nearly $1 billion, Washington apple producers benefit from the FTA.
- DR-CAFTA countries currently charge tariffs as high as 25% on United States apples, and the WTO permits tariffs as high as 138%.
- These tariffs will be eliminated immediately under the FTA.
- The AFBF economic analysis of DR-CAFTA estimates that Washington will increase fruit exports to the six countries by $9 million per year by 2024.

Vegetables – As the nation's #2 exporter, Washington vegetable growers and processors benefit from the FTA.
- With over $450 million in farm cash receipts, Washington's potato producers benefit from immediate duty elimination on certain potato products, including frozen french fries, which will be duty-free immediately in most DR-CAFTA countries. All tariffs will be eliminated in 15 years, except for fresh potatoes in Costa Rica, where liberalization will occur through expanded TRQ access, with an initial quantity of 300 metric tons. Current tariffs in the DR-CAFTA countries are generally 15%, and the WTO permits tariffs as high as 60%.
- The AFBF economic analysis of DR-CAFTA estimates that Washington will increase vegetable exports to the six countries by $7 million per year by 2024.

Wheat – As the nation's 3rd largest exporter, with state farm cash receipts of $470 million, Washington wheat producers benefit from the FTA.
- United States grain suppliers will benefit from zero tariffs immediately on wheat in all six countries, as well as on some processed grain products.
- The WTO generally permits tariffs up to 60%, but can exceed 100%.
- The AFBF economic analysis of DR-CAFTA estimates that Washington will increase wheat exports to the six countries by $3 million per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Estimated Trade Impact of DR-CAFTA on Washington for Selected Commodities
(Values in Million Dollars)

	1999-2001 WA Exports		2024 Imports from WA		DR-CAFTA
			Without	**With**	
Commodity	Total	DR-CAFTA	DR-CAFTA	DR-CAFTA	Difference
Dairy	40.16	0.80	1.29	3.73	2.44
Cotton	0.00	0.00	0.00	0.00	0.00
Feed Grains	25.71	0.51	0.98	1.07	0.10
Fruits	534.01	10.68	23.50	32.90	9.40
Meats	101.63	2.03	11.79	27.11	15.33
Poultry	4.40	0.09	0.57	1.49	0.92
Soybean & Products	0.00	0.00	0.00	0.00	0.00
Sugar	N/A	N/A	N/A	N/A	0.00
Rice	0.00	0.00	0.00	0.00	0.00
Vegetables	447.83	8.96	19.70	27.59	7.88
Wheat	244.41	4.89	8.80	11.44	2.64
Total	1,398.15	27.96	66.62	105.32	**38.70**

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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West Virginia Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost West Virginia's farm prices and income. Such exports help support about 3,840 jobs both on and off the farm in food processing, storage, and transportation. In 2003, West Virginia's net farm income was $14 million, and agricultural exports were estimated at $37 million. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase West Virginia's exports of agricultural products.

West Virginia Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including West Virginia's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Poultry – Providing nearly one-third of the state's farm cash receipts with over $121 million in receipts, West Virginia poultry producers benefit from the FTA.

- United States poultry exporters currently face tariffs as high as 164% on both fresh and frozen products and the WTO permits tariffs as high as 250%.
- Each DR-CAFTA country will provide immediate duty-free access on chicken leg quarters, a product where the United States is the world's most competitive exporter, through country-specific TRQs that expand annually as tariffs are eliminated in 17 to 20 years. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- Costa Rica and the Dominican Republic will establish duty-free TRQs for chicken leg quarters totaling 850 metric tons, each expanding by 10% annually. The other four Central American countries will establish a total regional duty-free TRQ of 21,810 metric tons (with individual country minimum quota levels). After year 12, the TRQ quantity will be no less than 5% of regional chicken production.
- Duties on poultry products such as wings, breast meat and mechanically de-boned poultry meat will be reduced more quickly, with many eliminated within 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that West Virginia will increase poultry exports to the six countries by $4 million per year by 2024.

Beef –West Virginia cattle and calf operators will also benefit from the DR-CAFTA.

- Current import tariffs on United States beef exports are as high as 30%, and the WTO permits tariffs as high as 79%.
- Duties on the products most important to the United States beef industry – Prime and Choice cuts – will be eliminated immediately in Central American countries, while the Dominican Republic will establish a zero duty TRQ of 1,100 metric tons which expands

annually as tariffs are eliminated. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)

- Some immediate duty-free access will be provided by certain countries on other beef cuts through an initial TRQ totaling 1,165 metric tons, expanding annually until tariffs are fully phased-out.
- Duties currently applied to other beef products and beef offals will be phased-out in 5 to 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that West Virginia will increase meat (beef and pork) exports to the six countries by $0.3 million per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

AMERICAN FARM BUREAU FEDERATION®

Wisconsin Farmers Will Benefit from DR-CAFTA

Exports of farm products help boost Wisconsin's farm prices and income. Such exports help support about 16,930 jobs both on and off the farm in food processing, storage, and transportation. In 2003, Wisconsin's net farm income was $1.6 billion, and agricultural exports were estimated at $1.5 billion. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase Wisconsin's exports of agricultural products.

Wisconsin Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including Wisconsin's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Dairy – As the nations #2 exporter of dairy products with nearly $3 billion in farm cash receipts, Wisconsin dairy producers will benefit from the DR-CAFTA.

- United States dairy exporters currently face tariffs as high as 60%, and the WTO permits tariffs as high as 100%.
- Each country will establish duty-free TRQs for certain dairy products totaling over 10,000 metric tons across the six countries – and each will receive the same level of TRQ access for dairy products entering the United States. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- TRQs will grow by 5% per year for the Central American countries and 10% per year for the Dominican Republic, with certain dairy products subject to safeguards during the phase-out period.
- All Central American and Dominican tariffs will be eliminated within 20 years, with tariffs on some dairy products eliminated earlier.
- The AFBF economic analysis of DR-CAFTA estimates that Wisconsin will increase dairy exports to the six countries by $13 million per year by 2024.

Beef – With cash receipts of more than $700 million, Wisconsin cattle and calf operators benefit from the FTA.

- Current import tariffs on United States beef exports are as high as 30%, and the WTO permits tariffs as high as 79%.
- Duties on the products most important to the United States beef industry – Prime and Choice cuts – will be eliminated immediately in Central American countries, while the Dominican Republic will establish a zero duty TRQ of 1,100 metric tons which expands annually as tariffs are eliminated.
- Some immediate duty-free access will be provided by certain countries on other beef cuts through an initial TRQ totaling 1,165 metric tons, expanding annually until tariffs are fully phased-out.

- Duties currently applied to other beef products and beef offals will be phased-out in 5 to 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Wisconsin will increase meat (beef and pork) exports to the six countries by $31 million per year by 2024.

Pork –Wisconsin pork producers will also benefit from the DR-CAFTA.
- United States pork exporters currently face tariffs as high as 47%, and the WTO permits tariffs as high as 60%.
- The opportunity for trade created through the TRQs total 13,613 tons, expanding by 5 to 15% per year until tariffs are eliminated.
- Central American countries will immediately eliminate tariffs on bacon and some offal products, while the Dominican Republic will establish TRQs for bacon and fat that expand annually.
- All DR-CAFTA tariffs will be eliminated within 15 years and certain products will be subject to safeguards in some countries.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Wisconsin will increase meat (beef and pork) exports to the six countries by $31 million per year by 2024.

Poultry – Wisconsin poultry producers benefit from the FTA
- United States poultry exporters currently face tariffs as high as 164% on both fresh and frozen products, and the WTO permits tariffs as high as 250%.
- Each DR-CAFTA country will provide immediate duty-free access on chicken leg quarters, a product where the United States is the world's most competitive exporter, through country-specific TRQs that expand annually as tariffs are eliminated in 17 to 20 years.
- Costa Rica and the Dominican Republic will establish duty-free TRQs for chicken leg quarters totaling 850 metric tons, each expanding by 10% annually. The other four Central American countries will establish a total regional duty-free TRQ of 21,810 metric tons (with individual country minimum quota levels). After year 12, the TRQ quantity will be no less than 5% of regional chicken production.
- Duties on poultry products such as wings, breast meat and mechanically de-boned poultry meat will be reduced more quickly, with many eliminated within 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Wisconsin will increase poultry exports to the six countries by $8 million per year by 2024.

Vegetables – As the nation's #4 exporter, Wisconsin vegetable growers and processors benefit from the FTA.
- Current tariffs in the DR-CAFTA countries are generally 15%, and the WTO permits tariffs as high as 60%.
- The AFBF economic analysis of DR-CAFTA estimates that Wisconsin will increase vegetable exports to the six countries by $4 million per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this

preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Estimated Trade Impact of DR-CAFTA on Wisconsin for Selected Commodities
(Values in Million Dollars)

	1999-2001 WI Exports		2024 Imports from WI		DR-CAFTA
			Without	**With**	
Commodity	Total	DR-CAFTA	DR-CAFTA	DR-CAFTA	Difference
Dairy	214.62	4.29	6.87	19.92	13.05
Cotton	0.00	0.00	0.00	0.00	0.00
Feed Grains	243.23	4.86	9.24	10.17	0.92
Fruits	11.80	0.24	0.52	0.73	0.21
Meats	204.14	4.08	23.68	54.46	30.78
Poultry	40.36	0.81	5.25	13.64	8.39
Soybean & Products	140.31	2.81	5.89	7.07	1.18
Sugar	N/A	N/A	N/A	N/A	0.00
Rice	0.00	0.00	0.00	0.00	0.00
Vegetables	219.87	4.40	9.67	13.54	3.87
Wheat	22.90	0.46	0.82	1.07	0.25
Total	1,097.23	21.94	61.95	120.60	**58.66**

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis

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Effects of DR-CAFTA on Wyoming Farmers

Exports of farm products help boost Wyoming's farm prices and income. Such exports help support about 632 jobs both on and off the farm in food processing, storage, and transportation. In 2003, Wyoming's farm cash receipts were $874 million, and agricultural exports were estimated at $44 million, putting its reliance on agricultural exports at 5%. Implementation of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) will increase Wyoming's exports of agricultural products.

Wyoming Benefits From the DR-CAFTA
Despite over $1.6 billion in United States farm exports in 2003, DR-CAFTA countries continue to impose high tariffs and other barriers on most agricultural products, including Wyoming's key exports. A primary United States objective was to change the "one-way-street" of duty-free access currently enjoyed by most DR-CAFTA exports into a "two-way-street" that provides United States suppliers with access to these markets and levels the playing field with other competitors. This objective was achieved.

Beef – With cattle and calve operations the top source of farm cash receipts at over $630 million, Wyoming cattle and calf operators benefit from the FTA.

- Current import tariffs on United States beef exports are as high as 30%, and the WTO permits tariffs as high as 79%.
- Duties on the products most important to the United States beef industry – Prime and Choice cuts – will be eliminated immediately in Central American countries, while the Dominican Republic will establish a zero duty TRQ of 1,100 metric tons which expands annually as tariffs are eliminated. (A TRQ, or tariff rate quota, is a two-leveled tariff where the tariff rate charged on imports depends on the volume of imports; a lower tariff is charged on imports that fall within the quota volume and a higher tariff is imposed on imports in excess of the quota volume.)
- Some immediate duty-free access will be provided by certain countries on other beef cuts through an initial TRQ totaling 1,165 metric tons, expanding annually until tariffs are fully phased-out.
- Duties currently applied to other beef products and beef offals will be phased-out in 5 to 10 years.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Wyoming will increase meat (beef and pork) exports to the six countries by $1 million per year by 2024.

Pork – As the 5th largest source of state farm cash receipts, Wyoming pork producers benefit from the duty-free access on pork cuts for each DR-CAFTA country.

- United States pork exporters currently face tariffs as high as 47%, and the WTO permits tariffs as high as 60%.
- The opportunity for trade created through the TRQs total 13,613 tons, expanding by 5 to 15% per year until tariffs are eliminated.

- Central American countries will immediately eliminate tariffs on bacon and some offal products, while the Dominican Republic will establish TRQs for bacon and fat that expand annually.
- All DR-CAFTA tariffs will be eliminated within 15 years and certain products will be subject to safeguards in some countries.
- DR-CAFTA countries are working toward the recognition of the United States meat inspection and certification systems in order to facilitate United States exports.
- The AFBF economic analysis of DR-CAFTA estimates that Wyoming will increase meat (beef and pork) exports to the six countries by $1 million per year by 2024.

Wheat and Barley – With farm cash receipts from wheat and barley exceeding $34 million, Wyoming wheat and barley producers benefit from the FTA.

- United States grain suppliers will benefit from zero tariffs immediately on wheat and barley in all six countries, as well as on some processed grain products.
- The WTO generally permits tariffs up to 60%, but can exceed 100%.
- The AFBF economic analysis of DR-CAFTA estimates that Wyoming will increase wheat exports to the six countries by $0.1 million per year by 2024.

Sugar – The 1.9% of Wyoming farms engaged in sugar production will face no cuts in the over 100% out-of-quota duty on United States sugar that currently protects domestic producers.

- The United States will establish TRQs for DR-CAFTA countries, starting at 107,000 metric tons. In the first year of implementation, increased market access in sugar will amount to about 1.2% of annual United States sugar consumption. This amount grows very slowly by 2% a year into perpetuity, so that by year 15 of FTA implementation the increased access on sugar (about 151,000 metric tons) amounts to about 1.7% of consumption. The United States will also establish a quota for specialty sugar goods of Costa Rica in the amount of 2,000 metric tons annually.
- Provisions will ensure only net surplus exporting countries in the region have access to the new access, and provisions have been agreed to allow alternative forms of compensation to be established to facilitate sugar stock management by the United States.
- The AFBF economic analysis of DR-CAFTA estimates that Wyoming will lose $1.5 million from increased sugar imports from the six countries per year by 2024.

One line of the USTR's Trade Fact Sheet describing the Agreement is a good comment on which to close, "U.S. farmers and ranchers will have access to the Central American countries that is generally better than suppliers in Canada, Europe and South America." Given this preferred access, AFBF economic analysis suggests that the DR-CAFTA will be of overall, long-term benefit to American agriculture and to our membership.

Estimated Trade Impact of DR-CAFTA on Wyoming for Selected Commodities

(Values in Million Dollars)

	1999-2001 WY Exports		2024 Imports from WY		DR-CAFTA
			Without	**With**	
Commodity	Total	DR-CAFTA	DR-CAFTA	DR-CAFTA	Difference
Dairy	0.00	0.00	0.00	0.00	0.00
Cotton	0.00	0.00	0.00	0.00	0.00
Feed Grains	7.82	0.16	0.30	0.33	0.03
Fruits	0.00	0.00	0.00	0.00	0.00
Meats	8.38	0.17	0.97	2.23	1.26
Poultry	0.01	0.00	0.00	0.00	0.00
Soybean & Products	0.00	0.00	0.00	0.00	0.00
Sugar	N/A	N/A	N/A	N/A	-1.61
Rice	0.00	0.00	0.00	0.00	0.00
Vegetables	5.22	0.10	0.23	0.32	0.09
Wheat	8.46	0.17	0.30	0.40	0.09
Total	29.89	0.60	1.81	3.28	**-0.13**

Fact Sheet Sources: United States Department of Agriculture's Foreign Agricultural Service State Fact Sheets and American Farm Bureau Federation's Economic Analysis