

The US will reduce the tariffs on Spanish artichokes and preserved peppers

The Congress of the United States recently approved two measures that will benefit regional producers and processors of artichoke and pepper of the Region of Murcia. Congress abolished the 8.1% tariff paid for Spanish canned pepper and reduced the tariff on processed artichoke by up to 3%.

This is very good news for the producers and processors of artichoke and pepper in the Region of Murcia. "Agrupal and Proexport have worked for years to achieve a reduction of tariffs that allows us to increase the competitiveness of our artichokes and peppers in the US markets. This is a provisional measure and we'll continue working so that be maintained over time," stated sources from Agrupal.

The president of Proexport's market sector, Mariano Zapata, said that "both organizations have worked closely and their efforts have finally given positive results. The United States is a very relevant market and we trust that Murcia's farmers and companies will be the great beneficiaries of this agreement."

The measure is provisional and will last until December 31, 2020. It will be a relief for producers and processors of the Region of Murcia. It will level the field with Peru regarding pepper exports, as Peru hasn't had to pay tariffs for this product for several years, which has allowed it to account for 65% of the product consumed in the United States, while Spain only accounts for 11%. The artichoke from Spain, however, will still have to pay a higher tariff than that from Peru or Chile, which don't have to pay any tariffs.

Tariffs on processed artichokes, prepared in vinegar or acetic acid, will only decrease 3%, going from 10 to 7.2%. Meanwhile, the tariff on artichokes prepared or preserved in other ways will only decrease by 2.2%, going from 14.9% to 12.7%.

The Region of Murcia is one of the main areas of production of processed artichoke in Spain and the main national exporter to the US, with 60% of the national total, i.e. almost 20,000 tons per year. Spanish pepper exports account for 11% of the pepper consumed by the US market, i.e. 4,500 tons per year according to data from 2017.



<i>Concept</i>	<i>Tariff up until Sept. 2018</i>	<i>Tariff from Sept. 2018 to Dec. 31/2020</i>	<i>Difference</i>
<i>Artichokes, prepared or conserved with vinegar or acetic acid. HTS 2001 90 25</i>	10.2%	7.2%	-3.0%
<i>Artichokes, prepared or conserved with different elements (other than vinegar or acetic acid). HTS 2005 99 80</i>	14.9%	12.7%	-2.2%
<i>Peppers, prepared or conserved with different elements (other than vinegar or acetic acid, not frozen no more than 227 grams). HTS 2005 99 50 20</i>	8.1%	0	-8.1%
<i>Peppers, prepared or conserved with different elements (other than vinegar or acetic acid) not frozen, more than 227 grams). HTS 2005 99 50 40</i>	8.1%	0	-8.1%

Amount of artichoke imported by the US from Spain (2017)

	<i>Tn</i>	<i>000\$</i>	<i>\$/Tn</i>
<i>HTS 2001 90 25</i>	6.278	17.688	2.818
<i>HTS 2005 99 80</i>	12.463	25.995	2.086

Amount of pepper imported by the US from Spain (2017)

	<i>Tn</i>	<i>000\$</i>	<i>\$/Tn</i>
<i>HTS 2005 99 50 20</i>	499.4	1.444	2.891
<i>HTS 2005 99 50 40</i>	1.759,8	2.772	1.575

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