



## *Trade and Agriculture* **What's at Stake for Hawaii?**

U.S. Department of Agriculture  
Foreign Agricultural Service  
September 2003

Hawaii produces agricultural products that are exported worldwide. In fiscal year 2002, the State's total cash receipts from farming reached \$505 million, and exports were estimated at \$70 million. These exports help boost farm prices and income, while supporting jobs both on the farm and off the farm in food processing, storage, and transportation. Hawaii's agricultural exports alone create an estimated 1,043 jobs.

Hawaii's top agricultural exports in fiscal year 2002 were:

- # fruits -- \$32 million
- # tree nuts -- \$13 million

World demand for agricultural, fish and wood products is increasing, but so is competition among suppliers. If Hawaii's industries are to compete successfully for export opportunities in the 21st century, they need *fair trade* and *more open access* to growing global markets.

### **Hawaii Benefits From Trade Agreements**

Trade agreements benefit all Americans. The North American Free Trade Agreement and the Uruguay Round Agreement have resulted in annual gains of between \$1,260 and \$2,040 for the average American family of four. Free trade and open markets provide real benefits: lower prices, more choices, and higher incomes.

Hawaii is already benefiting from a number of trade agreements. While there is still much to be done, examples of recent market opportunities include:

- # Hawaii benefits from the Uruguay Round as Japan and South Korea make substantial tariff reductions on a wide range of fresh and processed fruits. From 1995 to 2000, Japan lowered its tariffs to 19.1-21.3 percent on fruit juices containing not more than 10 percent sucrose by weight.
- # Under the Uruguay Round agreement, Hawaii benefited when Japan cut tariffs on almonds and other nuts from 1995 to 2000. South Korea, Thailand, and Malaysia are doing likewise. Supported by these cuts, U.S. walnut exports to Japan rose 17 percent, reaching \$37.3 million in 2002, and U.S. walnut sales to South Korea increased 267 percent to \$6.7 million during the same period. U.S. almond sales to Thailand rose from \$652,000 in 1995 to \$1 million in 2002.

