CHAPTER 8

FRESH FRUITS AND VEGETABLES

CHAPTER 8 - FRESH FRUITS AND VEGETABLES

INTRODUCTION

NAFTA has facilitated intra-NAFTA trade in fresh fruits and vegetables as tariffs are lower and there is increasing standardisation. This agreement provides greater access to the three markets and should increase demand for greater variety in this sector.

Canadians now spend an increasing percentage of their food expenditures on fruits and vegetables. Most of this spending is on fresh, rather than frozen or canned, products. This reflects a trend towards more health-conscious purchases. There is also an increasing demand by Canadian consumers for more exotic produce.

In Mexico, inefficient production techniques have brought the industry into decline and decapitalisation over the past few years. Today, Mexican agriculture is in transition. The sector, stagnant over two and a half decades, has become the subject of government initiatives aimed at its modernisation within a larger national context of economic reform. The change from protectionism to an open economy has created a new setting that will allow for a more efficient allocation of resources, economic growth, and higher standards of living. The agricultural sector is forecast to grow in the next few years.

The trend toward healthy foods in the US has meant an increased demand for fresh vegetables over the last decade. The consumption of canned foods is likely to decline further as consumer preference shifts toward fresh-frozen foods which emphasise nutrition. There is also an increasing demand for organic food as a result of the increasing demand for healthy food.

CANADA

Tariffs (% except where $/tonne)

Items:	MFN	GPT	US/Mexico
Potatoes	$7.26/tonne	X	$2.316/tonne
Tomatoes (for processing)	0-14.6	X	0-4.5
Onions	0-14.1 (BPT = 0 for some)	X	0-4.5
Garlic, leeks	4.2	X	1.5
Cauliflower, broccoli	0-14.6	X	0-12
Brussels sprouts	0-12.2	X	0-3.7
Cabbage	0-14.6	X	0-4.5
Lettuce	0-14.6	X	0-4.5
Chicory	0	X	0
Carrots and turnips	0-4.9	X	0-4
Beets and radishes	0-18.8	X	0-6
Cucumbers and gherkins	0-14.6	X	0-8
Peas	0-9.8	X	0-3
Beans	0-9.8	X	0-3
Artichokes	0	X	0
Asparagus	0-14.6	X	0-4.5
Aubergines	0	X	0
Celery	0-14.6	X	0-4.5
Mushrooms	9.8	X	3
Spinach	0	0	0
Pumpkins, squash	4.2	X	1.5
Parsley	0-9.8	X	0-3
Rhubarb	0-4.2	X	0-1.5
Corn	0-14.6	X	0-4.5
Bamboo shoots, cactus leaves, capers, cardoons, cilantro, jicama, chervils, okra, olives, tamarillos, tarragons, tomatillos, topedos, verdolagas, water chestnuts, cassava, arrowroot, sweet potatoes	0	X	0
Coconuts	0	X	0
Nuts	0	X	0
Bananas, plantains	0	X	0

Dates, figs, pineapples, avocados, guavas, mangoes, mangosteens	0	X	0
Citrus fruit	0	X	0
Grapes	0-9.4	X	0-3
Melons, papayas	0	X	0
Apples	0-9.8	X	0-3
Pears, quinces	0-12.2	X	3.7
	(BPT = 0 for pears)		
Apricots	0-12.2	X	0-3.7
Cherries	0-11.8	X	0-3.7
Peaches, nectarines	0-12.2	X	0-3.7
Plums	0-12.2	X	0-3.7
Strawberries	0-9.8	X	3
Berries, currants, cranberries	0-8.3	X	0-3
Kiwi fruit	0	X	0

X - same as MFN tariff

Canada imposes seasonal tariffs at the higher end of the tariff scale during the harvest period, in order to protect its agricultural producers from imports.

Standards

The Canada Agricultural Products Act, Fresh Fruit and Vegetable Regulations state that imported produce must not be adulterated, contaminated, or have any live insect or other creature. The produce must be edible, prepared in a sanitary manner (washed with acceptable water and cleaned equipment), and if irradiated, done in accordance with the Food and Drug Regulations. If the conditions are not met, Canadian inspectors may dispose of or destroy the produce.

Grade names and standards for these grades are subject to the standards set out in the regulations.

Imported produce is inspected at the Canadian port of entry or other inspection point, and must be certified by an inspector that it meets with the requirements of the regulations before it may be marketed in Canada.

Apples, potatoes, pears, have other specific standards and requirements. All of the current import requirements for fruit and vegetable importation should be verified by contacting the Dairy, Fruit and Vegetable Division, Food Production and Inspection Branch, Agri-food Canada, in Section III of this guide.

Information on the maximum residue level for pesticides and herbicides can be obtained from the Agricultural Chemicals Section, Health Canada, found under Section III of this guide.

Fresh fruits and vegetables are also regulated by the Canadian General Standards Board (CGSB), through voluntary standards. If the manufacturer wishes to be CGSB-accredited, (which means that the manufacturer complies with the testing and other requirements of the CGSB and will be on a list available to consumers), he should contact this organisation, under Section III of this guide.

Labelling

According to the regulations, every imported pre-packaged fruit or vegetable container must be labelled in accordance with the Consumer Packaging and Labelling Act and Regulations. Every container of produce must be labelled (in one of the official languages) with:

- common name of the produce (unless the container is open or transparent);
- net quantity of the produce;
- identity and place of business of person by or for whom produce was grown or packaged for resale; and
- imported produce shall also be labelled to show on the main panel and near the net quantity the words "Product of", "Produce of", "Grown in" or "Country of Origin", followed by the name of the country of origin of the produce.

However, the province of Quebec has additional requirements concerning the use of the French language on all products marketed within its jurisdiction. Information on French requirements may be obtained from the Office de la Langue Francaise, found in Section III of this guide.

Apples, pears, peaches, potatoes, cauliflower, lettuce, celery, sweet corn, cucumbers, Spanish onions, cabbages, and other produce may have specific labelling requirements: please refer to the Act, which may be obtained from Agriculture and Agri-Food Canada (see listing in Section III of guide), for more details.

Packaging

For fruits and vegetables that are packaged, the regulations stipulate some guidelines that need to be followed for importing:

- graded produce cannot be imported in a container that is greater than 25 kg net weight (apples), or 50 kg net weight (any other produce);
- produce cannot be packaged in a container that has a label misrepresenting quality, quantity, composition, nature, safety, value, origin, or variety of the contents;
- if the pre-packaged produce has visible and identifiable contents, the packaging must be in a manner indicating the nature and quality of the contents;
- pre-packaged beets, carrots, onions, parsnips, potatoes and rutabagas shall be packaged in a container where the net weight of produce in the container is a net weight set out in Schedule II of the Act, or in any of the container of a volume capacity set out in Schedule II of the Act; they may be marketed in any transparent container in which the net quantity of the produce is not more than 1.36 kg (3 pounds), except for beets, carrots, parsnips, potatoes, rutabagas, and onions (except Spanish-type) that are packed in bags;
- shipping quality or saleability may not be affected by staining, soiling, warping, breakage, or other damage;
- containers shall be securely closed in a way appropriate for the type of container;
- where the container is a bag containing sweet corn, it must be mesh, and be new, clean, and free from stains; and
- when the container has potatoes or onions, it must be new, clean, and free from stains.

Marketing and Distribution

Canadians are increasingly demanding more exotic produce, such as tropical fruits, melons and berries. Speciality vegetables are also a high growth area.

Fruit and vegetable brokers are used by many Canadian wholesalers as agents to import fresh produce. Many fruit and vegetable wholesalers are owned by or closely tied to a major food supermarket chain. A few supermarket chains dominate the Canadian grocery market. Importers are important as well; like brokers, they obtain a license to import from Agriculture Canada, then sell the produce to wholesalers.

Hotels, restaurants and institutions are also a good market for fruits and vegetables.

The latest available data suggests that the import market for fresh fruits and vegetables into Canada is US $1.8 billion.

Documentation

Goods imported into Canada have mandatory documentation requirements. These are:

- Form B3, Canada Customs Coding (two copies required for an automated Customs office, three if not). It is important to fill in this form properly, especially since it is here where the importer shows the tariff treatment for his goods;
- cargo control document - manifest, waybill or other approved document that must be obtained from carrier or forwarder (two copies);
- commercial invoice, indicating the buyer and seller of the goods, price paid or payable, adequate description, including quantity, of goods contained in the shipment, together with a Canada Custom invoice containing the remaining required data (two copies), or a fully completed Canada Customs invoice, or an invoice containing all data listed by Customs.

Importers of fresh produce must be licensed with Agriculture and Agri-Food Canada, as per the Licensing and Arbitration Regulations.

The produce must have an inspection certificate (there is a fee payable according to net weight of produce inspected), signed by a Canadian inspector which has approved the goods, in order for the produce to be imported into and marketed in Canada.

Products must be accompanied by a Confirmation of Sale form for clearance by Customs.

For more information about the documentation requirements and to obtain forms, please contact Agriculture and Agri-food Canada at the address indicated in Section III of this guide.

Some agricultural products are prohibited; for details about products included on the prohibited list, contact Tariff Programs at Revenue Canada, under Section III of this guide.

Trade Associations

Canadian Federation of Independent Grocers
Don Mills, Ontario Tel. (416) 449-1976
Fax (416) 449-7188

Canadian Produce Marketing Association
Ottawa, Ontario Tel. (613) 226-4187
Fax (613) 226-2984

Canadian Restaurant & Foodservice Assoc.
Toronto, Ontario Tel. (416) 923-8416
Fax (416) 923-1450

Food Institute of Canada
Ottawa, Ontario Tel. (613) 722-1000
Fax. (613) 722-1404

Ontario Fruit and Vegetable Growers Association
Guelph, Ontario Tel. (519) 763-6160
Fax (519) 763-6604

Trade Fairs

Ag Expo
March
Lethbridge, Alberta

Agriculture and Food Show International
February
Montreal, Quebec

Canadian Fine Food Show
May
Toronto

Canadian Food and Beverages Show
February
Toronto

Canadian Western Agribition
Nov. - Dec.
Regina, Saskatchewan

MEXICO

Tariffs (%)

Items:	General	US/Canada
Potatoes	Ex./1	D/2-4
Tomatoes	5/7	A/6/8
Onions	9/10	A-C
Garlic, leeks	10	A
Cauliflower, broccoli	10	A/C/10
Brussels sprouts	10	A
Cabbage	10	A
Lettuce	10/13	A/14/15
Chicory	10	A
Carrots and turnips	10	A
Beets and radishes	10	A
Cucumbers and gherkins	10	A/16
Peas	10	A
Beans	10	A
Artichokes	10	A
Asparagus	10	A/17/18
Aubergines	10	A
Celery	10/19	A/C/20
Mushrooms	10	A/B
Spinach	10	A
Pumpkins, squash	10	A
Parsley	10	A
Rhubarb	10	A
Corn	10	A
Bamboo shoots, cactus leaves, capers, cardoons, cilantro, jicama, chervils, okra, olives, tamarillos, tarragons, tomatillos, topedos, verdolagas, water chestnuts, cassava, arrowroot, sweet potatoes	10	A
Coconuts	20	A
Nuts	15/20	A
Bananas, plantains	20	A
Dates, figs, pineapples, avocados, guavas, mangoes, mangosteens	20/1	A/C

Citrus fruit	20/2/4	A/3/5
Grapes	20	6
Melons, papayas	20	A/7/8/9
Apples	20	C10/11
Pears, quinces	20	12
Apricots	20	B
Cherries	20	A
Peaches, nectarines	20	C
Plums	20	12
Strawberries	20	A
Berries, currants, cranberries	20	A/B
Kiwi fruit	20	B

A - duties fully eliminated on January 1, 1994
B - duties removed in five equal stages of 20% annually to full elimination by 1998
C - duties removed in ten equal stages of 10% annually to full elimination by 2003

Mexico protects its domestic producers from imports by imposing seasonal tariffs at the higher end of the tariff scale during its harvest period.

Standards

Fresh fruit and vegetables need health certificates to be allowed entry into Mexico. Agricultural products need a phyto-sanitary certificate, which may be issued in the country of origin by the government body which deals with agriculture. However, always confirm whether or not your country's certification is recognised by the Mexican authorities. All documents have to be in Spanish, translated into Spanish, or accompanied by a Spanish translation. The certificate must be an original document; no photocopies or faxes are accepted as substitutes.

There are also voluntary standards applicable to this sector, as found in SECOFI's Catalogue of Official Mexican Standards, Volume II, Classification F. A sampling of the range of standards applicable to this sector include test methods, determination of sediments, net weight determination test methods, additives, and other standards. The exporter is strongly urged to contact the Direccion General de Normas at SECOFI, the relevant Mexican sector association, or a knowledgeable Mexican importer, about the most current standards applicable to his product.

Labelling

According to Mexico's Ley de Proteccion al Consumidor (consumer protection law), all information contained on a product or its labels, containers and packages must be in Spanish. These labelling requirements will be enforced at the border, meaning that compliance is effectively the responsibility of the exporter. Full original Spanish labelling is to be affixed at the point of origin.

Labels must contain specific information such as:

- name of the product or good (including a product description, if not described in the name of the product or good);
- name or trade name and address of the importer and exporter (this information may be displayed on a separate label and may be added after importation);
- country of origin of the product;
- net contents in accordance with Official Mexican Standard NOM 030-SCFI-1993;
- warnings or precautions in the case of dangerous products; and
- instructions for use, handling, and/or preservation of the product.

Along with the above generic labelling requirements, additional requirements have been established for food products by the Department of Health ("Secretaria de Salud"). Food labels must include the following:

- product description;
- date of expiration (if applicable) - listed in order of day/month/year;
- list of ingredients;
- lot number;
- special instructions for preservation; and
- nutritional content (if nutritional quality is claimed).

Outside packages or wrappers must contain all of the required information, or must allow for the visibility of inside labels.

If your product is subject to a prior authorisation requirement by the Department of Health, the label of every registered product must have the legend "Aceptado S.S.A. No. ......", followed by the number of the corresponding license. Please confirm with the Department of Health for specific labelling requirements for your product.

Packaging

There are no official packaging requirements for imported products to Mexico. Please check with your Mexican broker or importer for developments in this area.

Marketing and Distribution

There is a growing market among higher income Mexicans for imported foods that offer uniqueness and high quality.

The best way to distribute in Mexico is through the country's major food retailers, although there are many small and medium sized food distributors, many independently operated food outlets, and a few large restaurant chains. Producers sell their products through wholesalers and distributors and, in some cases, directly to retailers. A local agent who will distribute and promote the product among Mexico's top retailers and foodservice operators is suggested.

Documentation

Goods imported into Mexico must be accompanied by standard documentation, as follows:

- commercial invoice (in Spanish, if prepared in English, the Spanish translation may follow original text on invoice or translation may accompany invoice), including the original and several copies;
- packing list (if more than one package shipped) and at least four copies;
- bills of lading, including one original for importer and one for customs broker;
- special certificates; and
- import permits.

The invoice must be complete and accurate. It must include:

- place and date of issue;
- complete name and addresses of the buyer or importer in Mexico, and the exporter;
- description of merchandise, including marks, numbers, types, and quantities;
- freight and insurance charges;
- price and total value of shipment;
- signature (manual), name, and title of exporter; and
- shipper's invoice number and customer's order number.

The invoice should be sent ahead to the importer/broker/agent, in order to obtain special permits (if necessary) if shipped by sea or land, or it should accompany goods if shipped by air.

The packing list includes:

- number of packages, and detailed list of goods in each package;
- net, gross, and legal weight of each package and total shipment, in metric units, along with volume or measurements of each package and total shipment.

The bill of lading has information such as:

- types of packages in shipment and their weights and measurements;
- names and addresses of the shipper and importer, or customs broker;
- ports of origin and destination;
- description of goods;
- list of charges, including freight;
- number of bills of lading in full set; and
- carrier's official acknowledgement of receipt on board of goods for shipment.

Along with the phyto-sanitary certificate required for importation, exporters also need a certificate of origin. The certificate can either be that which is issued to NAFTA countries, WTO countries, or to any other country not encompassed elsewhere. However, the non-NAFTA, non-WTO certificate may mean that the exporter pays a higher rate of duties. This certificate is also issued to those exporters who fail to submit a certificate of origin upon entrance of their product into Mexico. Therefore, if a member of NAFTA or WTO, it is to the exporter's advantage to submit a certificate of origin to Mexican authorities upon arrival.

Import permits may be necessary for some agricultural products vital to Mexico's economy. For further information concerning whether this is applicable to your product, contact your customs broker or the Department of Health.

As mentioned above, all documentation which is submitted with the shipment must be in Spanish, and in original form.

Trade Associations

Camara Nacional de la Industria de Restaurantes y Alimentos Condimentados
(Food and restaurant industry national chamber)
Mexico City Tel. (5) 604-0418
Fax (5) 604-4086

Confederacion Mexicana de Productores de Hortalizas
(Mexican confederation of vegetable producers)
Culiacan, Sinaloa Tel. (671) 40225/40490

Trade Fairs

AFIA Mexico (agroindustry & livestock exhibition)
June
Guadalajara

Alimentos y Bebidas (festival of food & beverages)
September
Mexico City

Expo Conacca (fruit & vegetable suppliers)
July
Guadalajara

Expo Natura (vegetarian & health products retail show)
November/December
Guadalajara

Expoalimentos (food & beverage industry exhibition)
September
Monterrey

UNITED STATES

Tariffs (% except where \$/kg or \$/m^3)

Items:	General	GSP	CBI	Canada/Mexico
Potatoes	\$0.0077/kg	0	0	\$0-0.006/kg
Tomatoes	\$0.033-.046/kg	\$0-0.046/kg	0	\$0.013-.026/kg
Onions	\$0.013-.039/kg	0	0	\$0-0.015/kg
Garlic	\$0.017/kg	0	0	\$0-0.006/kg
Leeks	25	25	0	10-14
Cauliflower, broccoli	5.5-25	0	0	0-11.2
Brussels sprouts	25	0	0	5
Cabbage	\$0.012/kg	0	0	0-10
Lettuce	\$0.0088-.044/kg	0	0	\$0-0.017/kg
Chicory	\$0.0033/kg	0	0	\$0-0.001/kg
Carrots and turnips	0-17.5	0-17.5	0	0-7
Beets and radishes	4.2-12.5	0-12.5	0	0-10
Cucumbers and gherkins	\$0.033-0.066/kg	\$0-0.066/kg	0	\$0-0.061/kg
Peas	\$0.011-0.044/kg	0	0	\$0-0.017/kg
Beans	\$0-0.077/kg	\$0-0.077/kg	0	\$0-0.061/kg
Artichokes	25	0	0	0
Asparagus	5-25	0-25	0	0-10
Aubergines	\$0.024-0.033/kg	0	0	\$0-0.013/kg
Celery	\$0.0055/kg-17.5%	0	0	\$0.002/kg-11.2%
Mushrooms	\$0.11/kg+25%	\$0.11/kg+25%	0	10-16.6
Spinach	25	25	0	10-14.4
Pumpkins, squash	\$0.024/kg-25%	0	0	0-10
Parsley	25	25	0	10
Rhubarb	25	25	0	10
Corn	25	25	0	10
Bamboo shoots, cactus leaves, capers, cardoons, cilantro, chervils, tamarillos, tarragons, tomatillos, topedos, verdolagas, water chestnuts, cassava, arrowroot, sweet potatoes	25	25	0	10
Olives	\$0.11/kg	\$0.11/kg	0	\$0-0.044/kg

Okra	$0.024/kg-25%	0	0	0-10
Jicamas	25	0	0	0-10
Coconuts	0	0	0	0
Nuts	$0-0.375/kg	$0-0.375/kg	0	$0-0.15/kg
Bananas, plantains	0	0	0	0
Dates, figs, pineapples, avocados, guavas, mangoes, mangosteens	$0.0055/kg-35%	0-35	0	0-28
Citrus fruit	0.9-$0.029/kg	$0-0.029/kg	0	$0-0.026/kg
Grapes	$0-2.12/m^3	$0-2.12/m^3	0	$0-0.848/m^3
Melons, papayas	3.5-35	0-35	0	0-32.6
Apples	0	0	0	0
Pears, quinces	$0-0.011/kg	$0-0.011/kg	0	$0-0.004/kg
Apricots	$0-004/kg	$0-004/kg	0	$0-0.001/kg
Cherries	0	0	0	0
Peaches, nectarines	$0-0.004/kg	$0-0.004/kg	0	$0-0.001/kg
Plums	$0-0.011/kg	$0-0.011/kg	0	$0-0.004/kg
Strawberries	$0.004-0.017/kg	$0.004-0.017/kg	0	$0-0.006/kg
Berries, currants, cranberries	0-3.4	$0-0.007/kg	0	0-2.7
Kiwi fruit	0	0	0	0

The US, as with the other countries above, imposes seasonal tariffs at the higher end of the tariff scale during the harvest period, in order to protect its domestic producers from imports.

There are quotas on certain fruits and vegetables. For more information on whether there is a quota on your product, please contact US Customs at the address found in Section III of this guide.

Standards

The Food and Drug Administration (FDA) regulates the importation of foodstuffs into the US. Fruits and vegetables are regulated by the US Department of Agriculture's Animal and Plant Health Inspection Service (APHIS) to prevent the introduction of plant diseases into the US. The voluntary grading of fruits and vegetables is carried out by the Agricultural Marketing Service of the US Department of Agriculture.

The Environmental Protection Agency (EPA) determines the tolerance levels for pesticide residues in food under the Food, Drug and Cosmetics Act. The FDA is responsible for inspecting imported food to ensure that illegal pesticides, and unsafe residue tolerances, are not present in the product.

All fruit and vegetables imported must be free from plants or portions of plants. The US Department of Agriculture must be satisfied that the fruit or vegetable has not been attacked in the country of origin by injurious insects, including fruit and melon flies, and that it has been treated or is to be treated for such insects in accordance with USDA conditions and procedures.

Certain fruits and vegetables must meet requirements relating to grade, size, quality, and maturity. These regulations only apply during periods when domestic marketing order regulations are in effect. At present, the following products are subject to import regulations: avocados, dates (other than for processing), filberts, grapefruit, table grapes, kiwifruit, limes, olives (other than Spanish-style), onions, oranges, Irish potatoes, prunes, raisins, tomatoes, and walnuts. Additional information regarding requirements is obtained from the government offices mentioned above, listed under Section III of this guide.

Labelling

When packaged, there are five pieces of information required on the food product:

- common or usual name;
- net quantity in the US measurement system (avoirdupois measure, fluid measure - US fluid ounces, pints, quarts, gallons-, or numerical count);
- name and place of business or distributor;
- list of ingredients, in descending order of predominance by weight; and
- country of origin (the products do not need to be marked; however, the outermost containers in which these articles ordinarily reach the ultimate purchaser in the United States must be marked in English with the country of origin): this is a requirement of US customs, not the FDA.

Each box of fruit and vegetables imported must also be labelled with:

- the name of the orchard or grove of origin, or the name of the grower;
- the name of the municipality and state in which it was produced;
- the type and amount of fruit it contains.

Location, size, and spacing of lettering are important for products marketed in the retail market. Information may be obtained from the FDA.

There may also be state or local rules that may affect the product or packaging. Please check with Department of Agriculture authorities in relevant states, or your country's local representative therein, for details.

The labelling, according to the US Fair Packaging and Labelling Act, must be "honest and informative".

It is recommended that the importer obtain an informal comment on its product's conformity to labelling requirements from the FDA. If goods are found in violation of the law, the products may be detained or destroyed.

Most major retail grocers require that products have a Universal Product Code (UPC) symbol. It is therefore recommended that manufacturers obtain UPC numbers for their company and products before exporting to the US. Contact the Uniform Code Council, under Section III of this guide, for more details.

Packaging

According to the US Fair Packaging and Labelling Act, food must be prepared, packaged and held under sanitary conditions, and it must be safe, clean and wholesome.

An important function of packaging is to pack the product in a way to enable US Customs to examine, weigh, measure, and release the goods promptly. Therefore, show the exact quantity of each item of goods in each box or other package, put marks and numbers on each package, and show those marks on your invoice opposite the itemisation of goods contained in the corresponding package.

Marketing and Distribution

Demand for products will depend on the season, climatic considerations (for example, shortages in the product due to frosts), and regional consumer tastes. A domestic representative knowledgeable about current industry trends and outlooks should provide useful information in this regard.

The food distribution system is not concentrated: regional grocery operations still account for a significant percentage of sales in regional markets. Wholesale retail clubs are gaining power. The produce sector is often serviced by speciality distributors, performing both the functions of the broker and the wholesaler or distributor. With the exception of the larger national chains, which have their own warehouse and distribution systems, retail grocers buy from privately or co-operatively owned warehouses or distributors.

The retail grocery system is the largest market and the most difficult to penetrate. As a potentially costly expense, most chain supermarkets charge a fee for a product to receive shelf space ("slotting allowances"), which may range from $2 to 30,000 per stock keeping unit, as well as charging for advertising and promotion. Smaller chains (10 stores or less) and single store independent retailers avoid some of these costs. The foodservice sector also uses food brokers, who supply foodservice distributors, in turn delivering to the individual foodservice establishments. It is also possible for larger foodservice distributors to be supplied directly by the manufacturer. This sector does not require slotting allowances, advertising allowances, or brand identity. However, they demand consistent quality, and pricing is the most important competitive factor.

The size of the import market into the United States for fresh fruits and vegetables is approximately US $5.7 billion.

Documentation

Within five working days of the date of arrival of a shipment at a US port of entry, entry documents must be filed, which consist of:

- a commercial invoice, or pro forma invoice when the commercial invoice cannot be produced;
- packing lists, if appropriate;
- evidence of right to make entry (bill of lading, air waybill, shipping receipt, carrier's certificate); and
- Entry Manifest, Customs Form 7533; or Application and Special Permit for Immediate Delivery, Customs Form 3461; or other form of merchandise release required by the district director.

As stated above, products are required to be marked with country of origin.

The FDA is notified of an entry of a regulated food through:

- Importer's Entry Notice (FDA Form FD 700 set) or Land Port Entry Notice (FDA Form FD 701);
- US Customs Form 7501 "Summary Sheet for Consumption Entry";
- copy of commercial invoice; and
- surety to cover potential duties, taxes and penalties.

In order to speed up the import process, the processor may wish to have a private laboratory examine samples of foods to be imported and certify the analysis of the processor, to show that the results are within the guidelines for levels of contaminants and defects in food for human use.

Fruit and vegetables imported require a permit from the USDA's Animal and Plant Health Inspection Service. The application, which should be made in advance, states the country of origin, port of first arrival, and name and address of the importer in the US to which the permit should be sent. Upon arrival, a notice needs to be submitted to APHIS, in duplicate, through Customs, stating:

- number on the permit;
- kind of fruit or vegetable;
- quantity or number of containers in shipment;
- country where fruit or vegetable grown;
- date of arrival; and
- name of vessel and dock, if any, and name of importer or broker at port of arrival.

Trade Associations

National Association of Fruits, Flavours & Syrups
Matawan, New Jersey Tel. (908) 583-8272
Fax (908) 583-0798

National Food Brokers Association
Washington, DC Tel. (202) 789-2844
Fax (202) 842-0839

National Food Distributors Association
Chicago Tel. (312) 644-6610
Fax (312) 321-6869

Produce Marketing Association
Newark, Delaware Tel. (302) 738-7100
Fax (302) 731-2409

United Fresh Fruit & Vegetable Association
Alexandria, Virginia Tel. (703) 836-3410
Fax (703) 836-7745

There are various other state and product associations for this sector. Consult your US representative office or the "Encyclopaedia of Associations" for more specific associations.

Trade Fairs

Annual Convention of the Exposition of the
United Fresh Fruit & Vegetable Association
February
Various US locations

California State Fair
August/September
Various California locations

Citrus Fruit Fair & Music Festival
May
San Bernardino, California

Florida Citrus Festival
Jan. - Feb.
Auburndale, Florida

Produce Marketing Association Convention & Expo
October
Various US locations

SOURCES OF INFORMATION ABOUT THIS SECTOR

"Canadian Exporters' Handbook on Doing Business in the US Food and Seafood Market", Department of Foreign Affairs and International Trade, 1992.

"Encyclopaedia of Associations: National Organisations of the US, Vols. I & II", Gale Research Inc. (Washington), 1994.

"Industry Profile: Fruit and Vegetable Processing", Industry Canada, 1990.

"MEXICO Business, The Portable Encyclopaedia for Doing Business with Mexico", World Trade Press (San Rafael, California), 1994.

"1995 Tradeshow Week Data Book", Tradeshow Week: New Jersey, 1994.