

**Testimony
on S. 3495**

**by
Christian Schlect
President
of
Northwest Horticultural Council**

**before
Committee on Finance
United States Senate**

**at
Washington, D.C.
July 12, 2006**

The Northwest Horticultural Council supports S. 3495, authorizing the extension of Permanent Normal Trade Relations to Vietnam.

My name is Christian Schlect and I serve as president of the Northwest Horticultural Council. The Council, founded in 1947 and based in Yakima, Washington, represents growers and shippers of apples, pears, and cherries located in Idaho, Oregon, and Washington. We work on federal and international policy issues of interest to our members. Orchardists in the Pacific Northwest grow about 65% of the fresh market apples grown in the United States. They raise more pears and sweet cherries than any other region of the country. In terms of foreign trade, the Pacific Northwest exports about 30% of its annual fruit crop. Our industry's economic health is dependent on opening and maintaining overseas markets.

Vietnam, with its population of over 84 million, is an important future market for our fruit. With a tropical climate that does not allow for the production of such deciduous tree fruits as apples and pears, it will eventually join such strong existing Asian markets as Hong Kong, Taiwan and Singapore as an important destination for the fruit of our orchards. Even now, for the 2005 shipping season U.S. apple exports to Vietnam totaled 116,00 cartons. Upon accession to the WTO and PNTR, importers in Vietnam expect these shipments to jump by 40%.

When Vietnam does come within the ambit of the World Trade Organization, it will lower its import duties and be bound by a new set of international trade disciplines. In terms of the former, the current applied duties on U.S. apples (25%), pears (25%), and cherries (40%) will be each reduced to 10% over the course of five years. As for disciplines, the most important for our traders is the Sanitary and Phytosanitary Measures of the WTO. Vietnam has pledged to apply science-based S&P standards to all agricultural goods. And having a respected international forum--- within which to bring, and hopefully resolve, the all too common and vexing technical disputes involving agricultural trade--- is a valuable step forward.

Rejecting PNTR for Vietnam would be a critical commercial and foreign policy misstep by our country. Instead, PNTR's passage is a quiet opportunity for the United States to further open doors of understanding and trade to a country, once a bitter enemy, which is now actively seeking a more constructive and mature relationship.

When I first visited Washington, D.C. as the newly-appointed president of the Northwest Horticultural Council in 1980, one of the first individuals my predecessor, Mr. Falk, introduced me to was his friend going back to their law school days at the University of Washington, Senator Henry Jackson---or as Mr. Falk called him "Scoop." Together they worked for over thirty years in securing access to foreign markets for our growers' fruit.

I believe Senator Jackson, if he were alive today, would understand and have adapted to the changing circumstances of history. He would see that the valid political and moral impulses then behind his and Congressman Vanik's 1974 trade amendment---aimed

primarily at protecting the right of emigration for Soviet dissidents---no longer have reason to be applied by our country to today's Vietnam.

And, he would still be helping our fruit growers open new export markets.

CONCLUSION

The Northwest Horticultural Council urges the United States Senate to waive the Jackson-Vanik Amendment and allow the President to grant Permanent Normal Trade Relations status to Vietnam. We support passage of S.3495.

MEMBERS OF THE NORTHWEST HORTICULTURAL COUNCIL

Fruit Growers League (Medford)
Hood River Grower-Shipper Association
Idaho Apple Commission
Oregon Sweet Cherry Commission
Pacific Northwest Canned Pear Service
Washington Apple Commission
Washington State Fruit Commission
Washington Tree Fruit Research Commission
Wenatchee Valley Traffic Association
Yakima Valley Growers and Shippers Association

SUBMITTED BY:

Christian Schlect
President
Northwest Horticultural Council

105 South 18th Street, Suite 105
Yakima, Washington
98901

(509) 453-3193
www.nwhort.org