

October 7, 2022

DELIVERED BY E-MAIL

BULLETIN: Greenhouse Peppers - Trade Support Levy Collection

To All Greenhouse Producers and Agencies,

USITC Bell Pepper Fact-Finding / Monitoring Investigation

On September 1, 2020 the Canadian greenhouse industry became aware that the US Trade Representative (USTR) would work with the domestic bell pepper producers to commence an investigation by the US International Trade Commission (ITC) to monitor and investigate the imports of bell peppers. We were further advised that the result of this investigation could enable an expedited global safeguard investigation and provisional relief on imports later that year. If successful, tariffs on imported Bell Peppers would be applied to all countries including countries with special trade agreements like Canada.

On November 4, 2020 the USTR formally requested that the ITC launch its fact-finding investigation and monitoring process on imports of bell peppers. The USTR also expressly requested that, as part of this monitoring process, the ITC collect and analyze information relevant to launch an expedited global safeguard investigation. On December 7th, the ITC commenced its investigation. After 90 days and up to two years of the ITC engaging in fact-finding and monitoring, a petition could be filed to request that the action transition into an expedited global safeguard investigation and that provisional relief be granted. The earliest date that this could be triggered was March 7, 2022, with the latest date set as December 7, 2023.

To protect the interests of BC greenhouse bell pepper producers and the Canadian greenhouse bell pepper sector, the industry immediately pursued the retainment of US legal counsel. A small leadership team of BC and Ontario greenhouse associations and regulators was formed to work directly with the Government of Canada (GOC) and Steptoe (US legal counsel retained for both industry and the GOC). The Chair of the leadership team is Linda Deli Santi, Executive Director of the BCGGA. Supporting the leadership team is a National Steering Committee made up of lead participants representing greenhouse and field pepper exporters from each province.

Current Status

Following the launch of the ITC investigation the ITC requested comments from interested parties on its monitoring investigation of bell peppers to be submitted by January 15, 2021. The Government of Canada made a joint submission with the Canadian bell pepper industry. 10 other stakeholders made submissions, four of which were also opposed to government action. As of today, there has been no further action taken in relation to the bell peppers monitoring. We will continue to watch for indications of next steps. A petition requesting a Safeguard Investigation and provisional relief can still be filed up to December 3, 2023.

Levy to be collected from bell pepper producers for 2021 legal expenses

At the end of 2021, the BC greenhouse bell pepper sector's share of the total Canadian industry's legal expenses amounted to \$41,175.91 CAD. The Commission has approved a special greenhouse pepper trade support levy of \$0.0227 per M2 of 2021 production allocation to be collected from all bell pepper producers. Invoicing will be done through your designated agency and directly with producer-shippers. Your agency will also be provided with a breakdown by producer on the levy amounts to be collected.

Invoices will be issued over the next few days and payment terms will be net 30. If you have any questions regarding this special bell pepper trade support levy, please contact the BCVMC General Manager.