What is the FPAA?
Who are we?

- We are a non-profit trade association
- We assist approximately 120 members in the areas of:
  - Importing
  - Distributing
  - Food Safety
  - Regulatory Compliance
  - Fresh fruits and vegetables from MEXICO.
What we look to accomplish

- Legislative, Regulatory & Industry Relations
- Infrastructure Improvements
- More CBP Officers
- Mariposa POE Cold Storage
Legislative, Regulatory & Industry Related Activities

We are constantly developing & nurturing relationships

With elected officials and agencies in
Washington, DC
Mexico City
Phoenix
What we look to accomplish
Infrastructure Improvements

The U.S. and Mexico are rapidly modernizing and expanding ports of entry along the border.

States are improving highways linking to the border and adding other support infrastructure.

In Mexico, $2 billion is being poured into Highway 15, which follows from Mexico City to Guadalajara, Culiacan, Hermosillo and to Nogales. This will save up to 8 hours shipping time.

This connects to the future I-11, which will follow from Nogales through Phoenix, Las Vegas up to Calgary.

The Fresh Produce Association of the Americas
www.freshfrommexico.com
What we look to accomplish

More CBP Officers

FPAA is highly involved with all levels of government to improve border wait times.

More CBP officers are needed in order to more effectively and efficiently cross produce.

While Border Patrol staffing has jumped dramatically, Customs staffing has fallen behind.
What we look to accomplish

Mariposa Port of Entry Cold Storage Inspections

A $220 million project that is the flagship land Port of Entry in the U.S.

Commercial lanes went from 4 to 8 lanes

Retrofitting the dock with cold storage will result in better cold chain management during inspections.
US-MX Unified Cargo Processing

- July 24, 2016 historic start of Unified Cargo Processing Pilot Initial results indicate a savings of 65% to 85% in wait time for a truck to meet both US and Mexico customs requirements
  - No other port of entry comes close!!
- Jumps over California, New Mexico and Texas programs of Pre-Inspection
- C-TPAT certified companies are initial participants
  - Hope to expand this program to ALL trucks
Mexican Produce Bound for the U.S.

Mexican Produce

Volume in 10,000 lbs Units

Year

183,317 189,024 198,990 212,632 236,520 239,597 262,547 273,252 297,539 334,452 335,920 369,342 386,811 410,996 444,286

www.freshfrommexico.com
Top 10 Items Imported by Volume

88% of imports’ volume is made by 10 items.

- Tomatoes, 19%
- Watermelons, 18%
- Cucumbers, 13%
- Squash, 12%
- Bell Peppers, 9%
- Grapes, 5%
- Chili Peppers, 4%
- Mangos, 3%
- Melons, 3%
- Eggplant, 2%
- Other, 12%
In 2013, the University of Arizona completed an economic analysis of the fresh produce industry in Nogales and Santa Cruz County.
Understanding the Industry

Fresh Produce Industry

= $303.4 mill business in SC County

Encompasses several economic activities and contributes annually to Santa Cruz County (million dollars):

- Shipping/distribution/sale brokerage .................. 225.9
- Custom brokerage/freight forwarding .................. 14.0
- Truck transport to warehouses ........................... 16.8
- Warehousing & storage ................................. 24.8
- Gas station (diesel fuel) .................................. 15.0
- Truck crossing permits .................................... 3.0
- Border inspection (CBP) ................................... 3.8

Vera Pavlakovitch-Kochi & Gary Thompson, Fresh Produce and Production-Sharing, Prepared for Nogales Community Development, 2013.
Understanding the Industry

Fresh Produce Industry’s Total impact in Santa Cruz County

Total impact = direct and secondary impact

4,020 Jobs (22.3% of County’s jobs)

$190.1 million in Wages (24.8%)

$437.7 million Output (33.5%)

Mexican Fresh Tomatoes

Agribusiness Value Chain Contributions to the U.S. Economy

Dari Duval, Ashley Kerna Bickel, & George Frisvold

November 1, 2018
Total Economic Contribution

$4.8 billion in sales

$2.9 billion in GDP

33,000 jobs
# Direct Economic Contribution

<table>
<thead>
<tr>
<th>Category</th>
<th>Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. Wholesale</td>
<td>$1 billion in direct wholesale activity</td>
</tr>
<tr>
<td>U.S. Retail</td>
<td>$816 million in direct grocery retail activity</td>
</tr>
<tr>
<td>U.S. Foodservice</td>
<td>$145 million in direct foodservice activity</td>
</tr>
<tr>
<td>In-Bond Shipment</td>
<td>$30 million of in-bond shipment to Canada</td>
</tr>
</tbody>
</table>
Thank you for your time!
Visit us at:
www.freshfrommexico.com
or email us at:
info@freshfrommexico.com