

FAS-930
(Proposal 1)

U.S. DEPARTMENT OF AGRICULTURE
Foreign Agricultural Service

TRADE ADJUSTMENT ASSISTANCE FOR FARMERS (TAAF)
PETITION FOR CERTIFICATION AND ELIGIBILITY FOR A GROUP OF PRODUCERS

NOTE: The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a - as amended). The authority for requesting the information identified on this form is 7 CFR Part 1580 and the American Recovery and Reinvestment Act of 2009 (Pub. L. 111-5). The information will be used to determine eligibility for benefits provided by the Trade Adjustment Assistance for Farmers program. The information collected on this form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FAS/2. Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination of ineligibility for participation in the Trade Adjustment Assistance for Farmers Program.

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FAX: 202-720-0876	MAIL TO:	COURIER DELIVERY
Or:	TAA for Farmers Foreign Agricultural Service Stop 1021 USDA 1400 Independence Ave., S.W. Washington, DC 20250-1021	Or: TAA for Farmers Foreign Agricultural Service Suite 400 USDA 1250 Maryland Avenue, S.W. Washington, DC 20024
EMAIL: tradeadjustment@fas.usda.gov		

1. Name of Authorized Representative or Primary Contact Taylor Webb-Comm.Dir. Catfish Farmers of America	2. Name and Business Address (Including City, State, and Zip Code) Taylor Webb- Communications Director Catfish Farmers of America 5420 I-55 N., Suite F Jackson, MS 39211
3. Telephone Number (Including Area Code) 6012061600	
4. Fax Number (Including Area Code) 6019779632	5. E-Mail Address catfishjournalth@bellsouth.net

6. This petition is made on behalf of the following producers: (Enter at least 3 names if filed by an individual. Organizations do not need to enter producer name.)

A. Name of Producers	B. Mailing Address	C. Telephone No. (Including Area Code)	D. E-Mail Address

7. COMMODITY INFORMATION:

A. Description of the raw (excludes processed) agricultural commodity: (e.g., fresh raspberries) U. S. Farm-Raised Catfish	B. Competing Imported Commodity's Harmonized Tariff Schedule (HTS) Number (HTS can be found at: http://www.usitc.gov/taffairs.htm) 2.2 cents/kg
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C. This petition is for the most recent marketing year for the commodity beginning in 01/09 and ending 12/09
(month/year) (month/year)

D. Check the production area of the commodity for which this petition is submitted (state, states, or national):

National State (Identify State or States(list): _____)

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8. Provide one of the following for the most recent marketing year and for each of the 3 preceding marketing years: the average annual price, production quantity, value of production, or cash receipts.

Note: Use Official data if available. The Department's National Agricultural Statistical Service (NASS) has national price data available for many raw agricultural commodities. The information can be found at: www.usda.gov/nass. You must state the source of your data. If you do not use official data, you must provide contact information for verification purposes and supporting documentation to show how your data was calculated or obtained.

(Check and complete only one)	(1) Most Recent Year	(2) 1 Year Ago	(3) 2 Years Ago	(4) 3 Years Ago
A. <input checked="" type="checkbox"/> Average Annual Price	\$ 372567000	\$ 409998000	\$ 444835000	\$ 484005000
B. <input type="checkbox"/> Production Quantity				
C. <input type="checkbox"/> Value of Production	\$	\$	\$	\$
D. <input type="checkbox"/> Cash Receipts	\$	\$	\$	\$

9. Source of data entered in Items 8A - 8D:

10. Basis for request for adjustment assistance. Explain (or attach documentation) how imports have affected your commodity during the most recent marketing year based on at least one of the following measures: price, quantity of production, value of production, or cash receipts. Include any other factors that may also have contributed to lower producer prices below:


The statistics over the last four years and beyond, show a marked and tangible negative effect by imports on the U.S. Farm-Raised Catfish industry. As seen above, the Average Annual Price (from the USDA-NASS), nationally, has seen a decrease of 29.9% over the last three years. Additionally, production quantity (in processed weight) was at 466,100,000 lbs in 2009 down from 566,131,000 lbs three years ago (USDA-NASS) a decrease of 17.7%.

Much of this decline can be attributed to imports from Vietnam, China, Thailand and other countries. According to the National Marine Fisheries Service- Statistics and Economics Division, the Average Annual Price of frozen fillets of Pangasius over the last three years (primarily from Vietnam) has grown from \$82,834,280 to \$158,214,447 a startling increase of 91%. This is despite anti-dumping tariffs that are highlighted in attached articles. Frozen fish fillets of Ictalurus, which are mostly coming from China have increased in Average Annual Price from \$19,422,352 to \$30,722,203 in the last three years according to the National Marine Fisheries Service, a growth of 58%.

As a result of this domestic decrease in production coinciding with a large increase of imports of catfish-like species, the catfish industry is shrinking by the day. The number of catfish operations in the United States dropped from 1,306 January 1, 2009, to 994 on January 1, 2010, a decrease of 23% and the water surface acres used for production in that same time period fell from 146,900 acres to 114,800 a decline of 21.9%.

The two main causes of the struggles of the domestic catfish industry are the aforementioned imports and high feed prices. The imports from Vietnam are, even with the antidumping tariffs, coming in at \$1.47 a pound which is far less than the \$2.91 a pound average price of domestic catfish. The catfish-like imports are capable of such low prices due to low feed costs in their respective countries and the ability to use banned chemicals and antibiotics that help with profits but are dangerous to consumers and have long been banned in the United States (such as Malachite Green).

In summary, the decreases in the last three years of average annual price, production quantity, number of pond operations, and acreage in the U.S. Farm-Raised Catfish Industry all easily exceed the 15% threshold amount required by the petition. A direct correlation between these declining statistics and the increase of imports and their value, as shown through the National Marine Fisheries Service, has crippled this proud industry. Please strongly consider these numbers and the supporting articles from The Catfish Journal when making your decision.

11A. SIGNATURE OF AUTHORIZED REPRESENTATIVE OR PRIMARY CONTACT 	11B. TITLE Communications Director - Catfish Farmers of America	11C. DATE SIGNED (MM-DD-YYYY) 04-14-2010
12A. SIGNATURE OF FAS REPRESENTATIVE	12B. TITLE	12C. DATE PETITION FILED (MM-DD-YYYY)

Trade issues affecting farmers heavily on anti-dumping order

The anti-dumping order on Vietnamese catfish, which was implemented in 2007, has had a significant impact on the industry. The order was issued by the U.S. Department of Commerce and the U.S. Trade Representative. It was based on the finding that Vietnamese catfish exporters were selling their product in the U.S. market at prices below fair market value, which was causing material injury to the domestic catfish industry.

The order has led to a sharp decline in Vietnamese catfish exports to the U.S. market. In 2007, exports were valued at approximately \$100 million. By 2008, they had fallen to around \$50 million, and in 2009, they were valued at only \$20 million. This has caused significant financial hardship for many catfish farmers in Vietnam, who have seen their income drop dramatically.

The industry has been heavily impacted by the order, and many farmers are struggling to make ends meet. Some have been forced to sell their land or other assets to stay afloat. The order has also led to a loss of jobs in the industry, as many processing plants have had to shut down or reduce their production.

The industry is currently working to challenge the order in court. They argue that the order is based on flawed data and that it is not in the best interests of the U.S. catfish industry. They are also seeking to negotiate a trade agreement with Vietnam that would allow for a more level playing field.

The industry is also working to diversify its export markets. It is looking for new opportunities in other countries, such as Canada and Mexico. This will help to reduce its dependence on the U.S. market and provide a more stable source of income for its farmers.

The industry is also working to improve its production practices and to increase its efficiency. This will help to reduce its costs and make it more competitive in the global market. It is also working to promote its product and to increase its visibility in the U.S. market.

The industry is hopeful that it will be able to overcome the challenges posed by the anti-dumping order and that it will be able to continue to grow and prosper in the future.

September 2009

THE CATFISH JOURNAL

Trade issues

(Continued from page 1)

lion in 2005.

In addition to the European Union and Russia, the Vietnamese exporters have been forced to seek new markets such as the Ukraine and Egypt, as a result of the antidumping order.

The numbers, from every angle, supported a strong argument for the benefits of the order.

Had exports to the U.S. grown at the same pace as worldwide exports, Vietnam would currently be exporting approximately 980 million pounds of basa and tra to the U.S.

Said Slater, "Without the antidumping order, Vietnamese import volumes would likely increase significantly within a short period of time. When duties are reduced, imports grow dramatically. The second this order goes away the United States becomes a very attractive market."

With the order in place, the average price in 2008 of Vietnamese basa exports to the United States was higher than to any other major Vietnamese market. For example, the average price to the U.S. was \$1.47 per pound, while the prices to Vietnam's largest export markets, the European Union and Russia, were \$1.18 a pound and \$0.72 a pound respectively.

Antidumping rates have become a key focus within the antidumping order. While some Vietnamese exporters do have low antidumping rates, to obtain those low rates they have had to raise their selling prices in the U.S. Currently the average selling price of Vietnamese basa and tra fillets in the U.S. is the highest price of any major export market.

Most Vietnamese exporters are still subject to an antidumping duty rate of 63.88%. Oftentimes the only way those exporters can get the dumping duties down is by raising their prices because they need to hire lawyers.

It is also worth noting that if you are a Vietnamese producer or exporter and you do not have a rate assigned then when the fish hits the border they have to make a cash deposit of 60%. The deposit usually stays in that location for 2-3 years while they try to get the rate down.

"It is important that we stay on the folks that decide the rates because every review is a chance for improvement or mischief," said Slater.

Slater explained that the work of her law firm concerning the order is continuous and very much ongoing. The "maintenance activities" that are part of the firm's work increase with the number of Vietnamese companies participating in reviews, the nature of the issues, and the sophistication of the opposing counsel.

The maintenance activities are placed into three categories. The first category is "review at commerce".

This refers to the situation where importers individually come in through a formal process, are represented by counsel, submit a lot of information, and try to show that they made sales which were not dumped.

Slater said the firm then reviews the data to make arguments about how the dumping should be evaluated and how the Vietnamese producer costs should be determined.

The second category is "court appeals of reviews". Several court appeals are currently pending. Additionally, there are currently millions of dollars of Byrd money at stake in these appeals.

The third category is "anticircumvention" in which they go after mislabeling and other forms of circumvention of the order. Those forms include transshipment and fraudulent mislabeling of country of origin (such as Vietnamese basa shipped through China).

"This activity has been very intensive," said Slater. "We have 6 Vietnamese exporter reviews underway, in which all are represented by their own lawyer, and 5 court appeals ongoing."

"The second this order goes away the United States becomes a very attractive market."

Slater added that in September reviews covering several more Vietnamese exporters are going to be initiated.

The antidumping order for Vietnamese exports of basa and tra made its debut in June of 2002 when the CFA and a list of individual processors filed an antidumping petition.

At that point in time imports of frozen Vietnamese basa and tra had gone from a very minimal number in 1999 to almost 30 million pounds in 2001. That number further increased to around 46 million pounds in 2002.

The pond bank price was at \$0.59 a pound in mid-2002 when the petition was filed and frozen fillet prices were at \$2.39 a pound. As of mid-2009, the pond bank price was \$0.763 a pound and the frozen fillet price was at \$2.91 a pound.

This past May industry leaders such as Randy Rhodes, Joey Lowery, Danny Walker, and Wade Renfro testified before the U.S. International Trade Commission at a "sunset review". The lobbying was successful as the Trade Commission agreed to continue the anti-dumping tariffs on imported fish products from Vietnam.

July 2009

THE CATFISH JOURNAL

CFA welcomes international trade commission's sunset determination

INDIANOLA, Miss. - The Catfish Farmers of America welcomed the U.S. International Trade Commission's ("ITC") affirmative determination that revocation of the antidumping duty order against frozen basa and tra fillets from the Socialist Republic of Vietnam would be likely to lead to continuation or recurrence of material injury to U.S. catfish processors. As a result of the ITC's decision, the antidumping duty order against frozen fish fillets of the pangasius bocourti, pangasius hypophthalmus, and pangasius micronemus species, also referred to as basa, tra, and swai, will remain in effect.

"We are pleased and gratified by the Commission's decision," said Joey Lowery, President of the Catfish Farmers of America. "The antidumping order has helped to address unfair trade in Vietnamese frozen basa and tra fillets. While the industry continues to be concerned with circumvention of the order, we are extremely pleased that the order will remain in place and continue to provide the U.S. farmed catfish industry with an avenue for much needed relief from unfair trading practices."

The five year review of the antidumping order was initiated by the U.S. Department of Commerce and the U.S. International Trade Commission on July 1, 2008. The

Department of Commerce conducted an expedited review, and published its final determination on February 2, 2009. The Commerce Department found that termination of the suspended investigation would likely lead to continuation or recurrence of dumping at prices that are approximately 37% to 64% below fair value. The Commission's determination is the final step in the sunset process.

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