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3 November 2025

Mr. Daniel Watson
Assistant U.S. Trade Representative for the Western Hemisphere
Office of the U.S. Trade Representative
600 17th Street NW
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Submitted via https:

Submitted via https://comments.ustr.gov/s/

Response to Request for Comments on the Operation of the Agreement between the United States of America, the United Mexican States, and Canada / Docket Number USTR-2025-0004

On behalf of the American Spice Trade Association, we submit the below comments in support of continuation of USMCA and recommendations for modifications to enhance its operation.

About ASTA and our sector

The American Spice Trade Association (ASTA) was founded in 1907 and represents the interests of more than 200 members, including American companies that grow, dehydrate, and process spices. ASTA members include U.S. based agents, brokers and importers, companies based outside of the U.S. that grow spices and ship them to the U.S., and other companies associated with the U.S. spice industry. ASTA members manufacture and market the majority of spices sold in the United States for industrial, food service, and consumer use.

The U.S. spice industry is a critical part of the American food system, supplying essential ingredients to food manufacturers, restaurants, and consumers. Spices naturally add flavor to healthful foods that nourish every American family on a daily basis and are essential inputs to the \$9.4 trillion American food industry, which employs millions of American citizens. Last year, the U.S. imported more than \$2 billion of spices from more than 50 origin countries, the majority from low- and middle-income countries in Asia, Southeast Asia and southern Africa. The importation of spices directly supports approximately 50,000 U.S. jobs across processing, quality assurance, distribution, and product development.

Most spices, including black pepper, cinnamon, turmeric, ginger, nutmeg, vanilla, and cloves, require tropical conditions and cannot be cultivated on a commercial scale within the United States due to climate and geographical limitations. Because most spices cannot be grown domestically, the industry relies on global sourcing.

USMCA benefits U.S. food processors and American consumers

U.S. tariffs on most spices are MFN duty-free. In 2024, over \$311 million of spices were imported from Canada and Mexico, with \$174 million (or 56%) entering MFN duty-free. The eight remaining tariff sub-headings totaling \$137 million (44%) claimed USMCA duty-free preference, providing tariff-cost savings on imported spices to industrial users and consumers here at home. Since April, with USMCA-compliant goods exempt from IEEPA tariffs, the agreement has further helped keep costs affordable on some imported spices.

Similar to the United States, tariffs on spices into Canada are primarily MFN duty-free, with some products subject to 3% tariffs. Into Mexico, MFN tariffs are much higher, ranging from 10 to 20%. While most spices are consumed in the United States, the USMCA offers our industry the opportunity to export domestic and processed spices to Canada and Mexico, totaling \$100 million annually between the two countries, and benefit from duty-free access for USMCA-qualified exports

We recommend USMCA continue for another 16 years and that duty-free preferences remain for movement of spices between the United States, Canada and Mexico to support domestic consumption and our industry's supply chains and processing operations.

We recommend all spices included on the list of "Potential Tariff Adjustments for Aligned Partners" (PTAAP Annex III) be incorporated into USMCA. Most spices are included on Annex III. (Please see relevant tariff codes and descriptions in Appendix.) ASTA welcomed the Administration's publication of PTAAP Annex III on 5 September outlining the list of unavailable natural resources in which only MFN tariffs will apply as part of bilateral agreements, and the inclusion of most spices in the Annex. This action by the Administration underscores the importance of access to spices to support U.S. manufacturing as well as efforts to advance Make America Healthy Again initiatives through consumption of natural and wholesome flavors as part of U.S. consumers' diets. We recommend all spices on Annex III goods be incorporated into the agreement to ensure no additional duties are applied when spices are imported into the United States, whether MFN duty-free or if USMCA is claimed.

We recommend limited modifications to USMCA rules of origin in the food sector. We understand USTR is considering modifications to the USMCA that would restrict benefits of USMCA if inputs used in value-added products are sourced from certain countries. While this action is designed to target imports from China in industrial sectors, we are concerned that any restrictions on country of origin could be applied more broadly and impact sourcing of spices. USMCA rules of origin for food products already recognize substantial transformation and include additional criteria where necessary. We do not want to see spices, blends, mixtures or food items containing spices inadvertently targeted with increased tariff costs.

Thank you for the opportunity to provide our comments and recommendations supporting continuation of USMCA. We appreciate the efforts by the Administration to ensure our trade agreements are working to the benefit of the United States, and believe USMCA works for our sector, U.S. processors and consumers. Please let us know if you have any questions or require further information.

Sincerely,

Laura Shumow

Laura Shumow, Executive Director

Appendix: Spices Included on Annex III

The state of the s
0904.11.00 Pepper of the genus Piper, neither crushed nor ground
0904.12.00 Pepper of the genus Piper, crushed or ground
0904.21.20 Paprika, dried neither crushed nor ground
0904.21.40 Anaheim and ancho pepper, dried, neither crushed nor ground
0904.21.60 Fruits of the genus Capsicum, other than paprika or anaheim and ancho pepper, dried, not
crushed or ground
0904.21.80 Fruits of the genus Pimenta (including allspice), dried
0904.22.20 Paprika, crushed or ground
0904.22.40 Anaheim and ancho pepper, crushed or ground
0904.22.73 Mixtures of mashed or macerated hot red peppers and salt, nesoi
0904.22.76 Fruits of the genus Capsicum, crushed or ground, nesoi
0904.22.80 Fruits of the genus Pimenta (including allspice), crushed or ground
0905.10.00 Vanilla beans, neither crushed nor ground
0905.20.00 Vanilla beans, crushed or ground
0906.11.00 Cinnamon (Cinnamomum zeylanicum Blume), neither crushed nor ground
0906.19.00 Cinnamon and cinnamon-tree flowers, nesoi, neither crushed nor ground
0906.20.00 Cinnamon and cinnamon-tree flowers, crushed or ground
0907.10.00 Cloves (whole fruit, cloves and stems), neither crushed nor ground
0907.20.00 Cloves (whole fruit, cloves and stems), crushed or ground
0908.11.00 Nutmeg, neither crushed nor ground
0908.12.00 Nutmeg, crushed or ground
0908.21.00 Mace, neither crushed nor ground
0908.22.20 Mace, crushed or ground, Bombay or wild
0908.22.40 Mace, crushed or ground, other than Bombay or wild mace
0908.31.00 Cardamoms, neither crushed nor ground
0908.32.00 Cardamoms, crushed or ground
0909.21.00 Seeds of coriander, neither crushed nor ground
0909.22.00 Seeds of coriander, crushed or ground
0909.31.00 Seeds of cumin, neither crushed nor ground
0909.32.00 Seeds of cumin, crushed or ground
0909.61.00 Seeds of anise, badian, caraway or fennel; juniper berries
0909.62.00 Seeds of anise, badian, caraway or fennel; juniper berries; crushed or ground
0910.11.00 Ginger, neither crushed nor ground
0910.12.00 Ginger, crushed or ground
0910.20.00 Saffron
0910.30.00 Turmeric (curcuma)
0910.91.00 Mixtures of spices
0910.99.07 Bay leaves, other than crude or not manufactured
0910.99.10 Curry
0910.99.20 Origanum, crude or not manufactured
0910.99.40 Origanum, other than crude or not manufactured
0910.99.50 Dill
0910.99.60 Spices, nesoi