



April 15, 2026

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

Ambassador Jamieson Greer
United States Trade Representative
Office of the United States Trade Representative
Executive Office of the President
600 17th Street, NW
Washington, DC 20508

**Re: Docket No. USTR-2026-0067: Comments Regarding Section 301
Investigations: Acts, Policies, and Practices of Certain Economies Relating to
Structural Excess Capacity and Production in Manufacturing Sectors**

Dear Ambassador Greer:

The American Honey Producers Association, Catfish Farmers of America, Crawfish Processors Alliance, Louisiana Farm Bureau, and Southern Shrimp Alliance, respectfully submit to the Section 301 Committee the following comments regarding the acts, policies, and practices of Argentina, Brazil, China, Ecuador, India, Indonesia, Thailand, and Vietnam relating to structural excess capacity and production in the processed food manufacturing and aquaculture sectors.¹ These comments are submitted in accordance with the deadline specified in the *Federal Register* notice.²

USTR's Initiation Notice includes "processed food and beverages" in its "illustrative list of sectors plagued by excess capacity and production," which has resulted in a "loss of domestic

¹ *Initiation of Section 301 Investigations: Acts, Policies, and Practices of Certain Economies Relating to Structural Excess Capacity and Production in Manufacturing Sectors*, 91 Fed. Reg. 12,886 (USTR Mar. 17, 2026) ("Request for Comments") (listing "Investigated Economies" including China, India, Indonesia, Vietnam, and Thailand). While the notice does not include Ecuador, as detailed below, Ecuador similarly exhibits structural excess capacity in its seafood sector, as production and export levels significantly exceed domestic demand and are sustained through export-oriented supply chains.

² *Id.* at 12,891 ("USTR must receive written comments by 11:59 p.m. EST on April 15, 2026.").

production capacity.”³ As the notice explains, such excess capacity arises where production is “untethered from the incentives of domestic and global demand,” resulting in overproduction, large and persistent trade surpluses, and exports directed to external markets, including the United States.⁴ As demonstrated below, such conditions are increasingly evident in food processing sectors, where foreign governments in “export-driven economies”⁵ employ subsidies, directed lending, infrastructure support, and other non-market mechanisms to expand and sustain production capacity irrespective of profitability or demand conditions. These practices result in persistent overproduction, export-oriented supply chains, and sustained price suppression in the U.S. market.

The effects of these “government interventions”⁶ are persistent across multiple food sectors, as evidenced by a combination of rising import volumes, declining unit values, and large trade imbalances.⁷ While the United States imports approximately 15 percent of its total food supply,⁸ the nation’s reliance on imports is significantly concentrated in sectors most affected by structural excess capacity. Notably, imports account for approximately 94 percent of seafood consumed in the United States, 55 percent of fresh fruit, and 32 percent of fresh vegetables, according to the FDA.⁹ For U.S. businesses processing food for these markets and smaller specialty food sectors, the impact has been severe. Moreover, the United States as a whole has

³ *Id.* at 12,888; *see also id.* at 12,889 (highlighting seafood export trends as evidence of structural excess capacity and production, specifically noting “Norway’s seafood exports hit a record high in 2025, with Norwegian companies exporting 2.8 million metric tons of seafood worth \$18 billion, representing a 4 percent increase from 2024”).

⁴ *Id.* at 12,887.

⁵ *Id.* (internal quotations omitted).

⁶ *See id.*

⁷ *See id.* (noting that “structural excess capacity in manufacturing sectors can be evidenced by the existence of large or persistent trade goods surpluses in certain sectors”).

⁸ *See* U.S. Government Accountability Office, *Food Safety: FDA Should Strengthen Inspection Efforts to Protect the U.S. Food Supply*, GAO-25-107571 (Jan. 8, 2025) at 21, n.3, <https://www.gao.gov/products/gao-25-107571>.

⁹ *See id.*

suffered, as the U.S. ran an estimated \$58.7 billion food trade deficit in 2024¹⁰ and is projected to set new record highs for an agricultural trade deficit in 2025.¹¹

These patterns demonstrate that foreign production systems are not responding to market signals and continue to generate excess output that is sold in a manner that disrupts domestic markets. As described in the Initiation Notice, such excess production is often directed to the United States – “the world’s consumer market of last resort.”¹² Like many other food producers in this country, the honey, catfish, crawfish, and shrimp industries have been battered by sustained surges in import volumes in recent years. These unfair imports have overwhelmed the U.S. market and depressed prices for the small, family-run businesses that predominate these sectors. In fact, each of the signatories to this letter operate in segments where the domestic industry competes against imports found to be unfairly traded. The adverse effects of this import competition have resulted in the loss of working farmland, aquaculture ponds, apiaries, commercial fishing vessels, working waterfronts, and processing plants throughout the country.¹³

Structural excess capacity is evident across multiple food production sectors, and each of the sectors listed below demonstrates the core characteristics identified in the Initiation Notice, including production growth despite declining prices, export dependence, and increasing import penetration into the United States:

- **Honey:** Honey imports grew by 24 percent between 2022 and 2024, while customs values for imports fell by a third. Imports now account for over 80 percent of U.S. honey consumption and are dominated by just four export platforms – India, Vietnam, Argentina, and Brazil. Prices for domestically produced honey dropped by over 10 percent, while at the same time production costs increased by nearly 38 percent.

¹⁰ See Katie Hettinga, *U.S. Imported Food Reliance Worsens: Food Trade Deficit Alert!*, Rethink Trade (July 3, 2025), <https://rethinktrade.org/food-deficit> (“From 2015 to 2024, the U.S. food trade deficit increased by over \$46 billion. Almost all of the declining balance—93%—is due to an increase in imports.”). See also *id.* (“We cannot export our way out of this hole.”).

¹¹ See Faith Parum, PhD, *U.S. Heading to Record Ag Trade Deficit*, Market Intel, American Farm Bureau Federation (June 20, 2025), <https://www.fb.org/market-intel/u-s-heading-to-record-ag-trade-deficit>.

¹² *Request for Comments*, 91 Fed. Reg. at 12,887; see also *id.* at 12,888 (“The United States is the global consumer market of last resort, and economies with productive capacity that outstrip their domestic demand tend to send overproduction to the United States, directly or indirectly through third countries.”).

¹³ See *id.* (“This displaces existing U.S. domestic production or prevents investment and expansion in U.S. manufacturing production that otherwise would have been brought online.”).

- **Catfish:** Imports of Siluriformes (basa/tra/swai) increased by 35.5 percent between 2023 and 2024. The per-pound value of these imports fell by 11.6 percent.
- **Crawfish:** The U.S. crawfish industry faces persistent import competition at prices that do not reflect market-based cost structures and are indicative of structural excess capacity in global markets, namely China. Following the revocation of antidumping duties on freshwater crawfish tail meat from China in 2019,¹⁴ the average landed duty paid value of imported crawfish declined sharply, falling from \$8.06 in 2018 to \$1.82 in 2024. These prices are economically incompatible with U.S. production costs, which exceed \$9.00 per pound for crawfish tail meat. At the same time, import volumes increased by 32.3 percent between 2023 and 2024 and nearly 95 percent between 2021 and 2024. This includes the rapid emergence of frozen whole boiled crawfish imports, a product category that did not meaningfully exist prior to 2022 and now accounts for more than 37 percent of total U.S. crawfish imports. China, the dominant supplier of crawfish, has accounted for approximately 70 percent of total U.S. crawfish imports in recent years largely due to state-enabled processing capacity. The combination of declining prices, rising volumes, and new product forms indicates production that is not constrained by demand. As a result, imported crawfish continues to suppress prices, displace domestic production, and erode the economic viability of the U.S. industry.
- **Shrimp:** Global shrimp production has expanded significantly despite declining prices, indicating output growth that is not constrained by market demand. Farmed shrimp production increased from approximately 2 million metric tons in 2015 to over 6 million metric tons in recent years.¹⁵ Over the same period, global benchmark prices for shrimp declined significantly, with inflation-adjusted prices falling by more than twenty-five percent even as global shrimp production has more than tripled.¹⁶

¹⁴ See *Freshwater Crawfish Tail Meat from the People's Republic of China: Final Results of Sunset Review and Revocation of Antidumping Duty Order*, 84 Fed. Reg. 26,647 (June 7, 2019).

¹⁵ See FAO Globefish, *Shrimp – February 2016*, Food and Agriculture Organization of the United Nations (Feb. 15, 2016) (estimating farmed shrimp production as reaching 2 million tons in 2015), <https://www.fao.org/in-action/globefish/news-events/news/news-detail/Shrimp---February-2016/en>; Felipe Peroni, *Global shrimp output set to increase 2% in 2025: Rabobank*, S&P Global (Jan. 15, 2025) (citing survey data calculating global shrimp aquaculture production as reaching 6.1 million metric tons), <https://www.spglobal.com/energy/en/news-research/latest-news/agriculture/011525-global-shrimp-output-set-to-increase-2-in-2025-rabobank>.

¹⁶ See Federal Reserve Bank of St. Louis, *Global Price of Shrimp* (Mar. 24, 2026), <https://fred.stlouisfed.org/series/PSHRIUSDM> (last accessed Apr. 7, 2026, 1:56 PM); See U.S. Bureau of Labor Statistics, *CPI Inflation Calculator*, https://www.bls.gov/data/inflation_calculator.htm (last accessed Apr. 7, 2026, 1:58 PM). In August 2015, which was the year's lowest non-inflation adjusted global benchmark

This expansion is driven by the acts, policies, and practices of export-oriented producers including Ecuador,¹⁷ India, Indonesia, Vietnam, and Thailand, which together accounted for approximately 93 percent of total U.S. shrimp import volume in 2025. These countries have increased production capacity through aquaculture expansion, processing investments, and access to substantial government and international financing, enabling continued output growth despite persistent oversupply. China reinforces these dynamics as a global seafood processing hub, importing large volumes of raw shrimp for processing and re-export. As a result, United States shrimp import volumes have reached historically elevated levels, totaling 648.1 million pounds valued at \$2.4 billion in 2025. At the same time, import prices have fallen to their lowest levels in over a decade. This has resulted in a loss of more than half the value of U.S. commercial shrimp landings in recent years, dropping from \$521.8 million in 2021 to \$257.9 million in 2024.

The evidence across these sectors, among others not listed,¹⁸ demonstrates that structural excess capacity and production driven by foreign acts, policies, and practices are not limited to traditional manufacturing industries such as those listed in the Initiation Notice but are also present in numerous food production and processing sectors. In each case, foreign producers maintain or expand capacity beyond demand and rely on exports to the United States to absorb excess output. These practices are unreasonable and burden U.S. commerce within the meaning of Section 301. They suppress prices, displace domestic production, and discourage investment.

price, the price was \$7.69 per kilogram. In February 2025, which was the year's highest non-inflation adjusted global benchmark price, the price was \$7.39 per kilogram. Inflated to February 2026 dollars, these prices equate to \$10.54 and \$7.57 respectively.

¹⁷ While the Initiation Notice does not include Ecuador, the country exhibits structural excess capacity similar to China, India, Indonesia, Thailand, and Vietnam in its seafood sector. Specifically, production and export levels significantly exceed domestic demand and are sustained through export-oriented supply chains and China-backed investments.

¹⁸ See Katie Hettinga, *U.S. Imported Food Reliance Worsens: Food Trade Deficit Alert!*, Rethink Trade (July 3, 2025), <https://rethinktrade.org/food-deficit> (noting trade deficits in additional processed food and beverage sectors including beef, tomatoes, potatoes, ketchup, and beer).

* * *

Thank you in advance for your consideration of these comments.

Respectfully submitted,

/s/ Steven Coy

Steven Coy

President

American Honey Producers Association

/s/ Brad Graham

Brad Graham

President

Catfish Farmers of America

/s/ Kody Bieber

Kody Bieber

President

Crawfish Processors Alliance

/s/ J.B. Hanks

J.B. Hanks

Chairman

Louisiana Farm Bureau

Crawfish Commodity Committee

/s/ Blake Price

Blake Price

Deputy Director

Southern Shrimp Alliance