

Fortifying Refrigeration Infrastructure and Developing Global Exports (FRIDGE) Act

Background:

Trade is the centerpiece of ensuring long-term stability for our farmers, so finding, assisting, and stabilizing those trade relationships will be essential going forward. Our agricultural economy relies on our ability to ship our products around the world. According to <u>USDA's Economic Research Service</u>, the U.S. produced \$177.3 billion of agricultural exports in calendar year 2021, and those produced an additional \$190.5 billion in economic activity, for a total economic output of \$367.8 billion.

Issue:

In 2021, the top three markets for our pork: China, Japan, and Mexico, accounted for 63 percent of U.S. exports. In that same year, the top three markets for beef: Japan, South Korea, and China accounted for 60 percent of U.S. exports. We need to maintain those trading partners, but we also need to establish new markets to build a resilient supply chain for our farmers. One of the largest limiting factors to growing export markets for United States food and agriculture products is insufficient infrastructure, including the lack of cold chain storage. Our producers and products need a reliable infrastructure network to become more resilient and less dependent on a small number of markets.

Each year, billions of tons of fresh food products are lost due to poor cold chain. Just recently, Ambassador Gregg Doud, former Chief Ag Negotiator for USTR, said "We need infrastructure improvement – both domestically and in our customers' countries – such as improvement in cold chain infrastructure and technologies."

Solution:

Our pork, beef, grain, specialty crops, fresh and frozen foods, and all other exports rely on infrastructure, and this bill would prioritize that essential piece of the puzzle that allows our producers to feed the world. We should not accept billions of tons of fresh food going bad each year, and the *FRIDGE Act* would help to eradicate hunger and expand into new export markets for our producers.

The *FRIDGE Act* would add a section promoting infrastructure in the Foreign Market Development (FMD) program, and to fund this paragraph, funds will be authorized at \$1,000,000 annually from FY24-28. If there are leftover funds not allocated, those funds will go into the main FMD pot of money for the benefit of all (if \$1M is appropriated, but only \$100K is disbursed, the leftover \$900K would go into the main pot). No part of this bill would impact any of the regular MAP/FMD funding, authorizations, or normal program activities. Instead, the *FRIDGE Act*, by prioritizing infrastructure, is intended to enhance and supplement the current MAP/FMD programs that have shown great benefits to our agricultural producers. By establishing infrastructure for trade, the current trade programs within USDA would be strengthened by having new and emerging markets that may have been inaccessible before.

Our agricultural economy relies on trade, and the *FRIDGE Act* is designed to expand market access and focus on the main roadblock hindering our producers when it comes to global trade: **infrastructure**.

For more information or to cosponsor the bill, please contact Josh Millard in Rep. Feenstra's office at josh.millard@mail.house.gov