

**Written Statement of U.S. Representative Jim Costa (CA-16)**  
**Submitted to the U.S. International Trade Commission (ITC)**  
**Sunset Review of Antidumping Duties on Raw In-Shell Pistachios from Iran**  
**(USITC Inv. No. 731-TA-287)**

Chairman Schmidlein, Vice Chairman Johanson, and fellow Commissioners. I appear before you today to state my strong support for retaining the anti-dumping duties on raw in-shell imported pistachios from Iran.

As a third generation family farmer, I am keenly aware of the importance of the pistachio industry's importance to California agriculture. The pistachio industry is a true American success story, growing from the first commercial crop in 1976 of 1.5 million pounds to a record crop in 2016 of 903 million pounds. At the same time, the industry has increased its efficiency, more than doubling its production per acre. Through hard work, continued investment and increased production the United States has now become a world leader in pistachio production.

California produces 98 percent of U.S. pistachios and our country is the second-leading producer and exporter of pistachios, providing 24 percent of the global supply. This industry generates over \$600 million in economic output annually –much of it in the Central Valley of California which has poverty and unemployment rates roughly double the national average.

However, we risk jeopardizing millions of dollars of investment and decades of growth if we allow Iran to resume its illicit practice of dumping inferior quality products on the U.S. market. The 1986 anti-dumping order, which has been reaffirmed many times by this Commission, prevents Iranian pistachios from dominating the U.S. market and hurting our domestic producers.

This sunset review of the 1986 antidumping order is critically important due to the clear and present threat that the Iranian pistachio industry poses to U.S. production. Iran receive billions of dollars as part of the Joint Comprehensive Plan of Action (JCPOA) between Iran, the United States, China, France, the United Kingdom, Germany, and the European Union. The Iranian government is using these funds to financially prop up and support their pistachio growers and exporters. In October of 2016 Iran's deputy minister of agriculture announced millions of dollars would be made available to support pistachio exports. The government has taken subsequent actions to support its domestic growers through acreage improvements and tax exemptions.

While Iran is taking these aggressive actions to support their domestic industry, U.S. growers do not enjoy similar direct support programs. American growers and producers are proudly self-sufficient—but such independence leads to some difficult times. California's drought has significantly impaired the industry, leading to reduced production and increased input costs. Other weather factors have contributed to smaller crop outputs.

It is vitally important that the Commission retains the anti-dumping duties on imported pistachios from Iran. Without the duties, rather than a vibrant, homegrown, domestic pistachio industry supplying the U.S. market, U.S. consumers will be flooded with inferior Iranian-produced pistachios.