

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

L/65  
10 November 1952  
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## THE UNITED STATES EXPORT PAYMENT PROGRAMME FOR RAISINS

### Note by the Delegation of the United States

The following represents an interim description of the export payment programme for raisins. The United States Delegation regrets that all of this information was not available earlier in the Session:

#### I. Purpose of the Export Payment Programme for Raisins

- (1) To assist United States producers to sell a part of their crop in certain traditional markets abroad, where dollar difficulties are preventing such marketing.
- (2) To enable United States producers to obtain a reasonable return on this product.

#### II. Eligible Countries

In general, exports under the programme are limited to those countries which historically have obtained quantities of raisins from the United States, and which generally maintain balance-of-payment restrictions.

#### III. Effect of Programme on United States Acreage or Production of Sultanas.

The United States bearing acreages of sultanas during recent years are as follows:

<u>Year</u>	<u>United States bearing acreage, sultanas</u>
1945	9,927
1946	9,786
1947	9,698
1948	6,394
1949	4,792
1950	4,536
1951	4,043

IV. Comparison of United States production and exports of raisins during a pre-war and recent post-war period.

<u>Period</u> <u>beginning Sept.1</u>	<u>United States Raisin</u> <u>Production (1,000 tons)</u>	<u>United States Raisin</u> <u>Exports (1,000 tons)</u>
1934-38 average	219	61
1946-50 average	229	68*

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\* Includes considerable quantities furnished under civilian relief feeding programmes during 1947; adjusted figure materially below pre-war.

V. Price Comparisons

Recent United States sales of raisins have been made at prices which, even if increased by the amount of the export payment, would be materially lower than prices which it is understood have been quoted by other suppliers. This would seem to indicate that the United States industry is relatively an efficient one and a logical source for the product. The effect of the subsidy may be not so much to shift sources of supply as to enable customer countries to buy larger quantities of raisins from the source they would have used, without additional dollar expenditures. The price reduction due to the subsidy, therefore, becomes a saving which is important for countries in balance-of-payment difficulties.

VI. Price Effect on Exports of Other Countries

The United States does not have sufficient information to gauge the price effects of its export subsidy programme upon the exports of other countries. This judgment must take into account such factors as (a) whether the importing country's demand is so great that the high-priced sources set the prevailing price within the country (b) whether other exporters are selling in accordance with an export retention scheme or other form of export subsidy, and other factors.

VII. Comparison of raisin and currant imports from Greece, Turkey and the United States, for principal European markets, and for selected years. (Thousands of metric tons. Data subject to later confirmation.)

<u>Importing Country and year</u>	<u>Raisin Imports From United States</u>	<u>Raisin Imports From Greece</u>	<u>Raisin Imports From Turkey</u>	<u>Currant Imports from Greece</u>	<u>Total Imports From United States, Greece, Turkey</u>
United Kingdom					
1951	4.1	4.1	32.0	8.3	48.5
1950	36.3	3.7	25.6	30.6	96.2
1949	21.0	5.0	42.4	24.4	92.8
1938	25.9	3.9	39.4	1.9	71.1
Western Germany					
1951*	2.2	2.2	3.5	2.4	10.3
1950	13.3	13.1	6.1	19.2	51.7
1949	15.6	5.1	3.4	21.0	45.1
1938	14.3	14.3	23.1	59.4	111.1
Belgium					
1951	2.8	0.1	0.1	2.7	5.7
1950	3.2	0.1	0.1	2.9	6.3
1949	4.9	1.2	1.9	1.9	9.9
1938	2.8	2.1	2.1	2.1	9.1
Netherlands					
1951	2.6	0.1	7.8	2.5	13.0
1950	6.4	2.3	2.3	1.1	12.1
1949	0.1	5.0	5.0	5.7	15.8
1938	7.7	0.2	9.5	2.8	20.2
Totals for United Kingdom, Western Germany, Belgium, and Netherlands					
1951	11.7	6.5	43.4	15.9	77.5
1950	59.2	19.2	34.1	53.8	166.3
1949	41.6	16.3	52.7	53.0	163.6
1938	50.7	20.5	74.1	66.2	211.5

\* First nine months except for Turkey.