

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

RESTRICTED

MTN.GNG/NG6/TI/3/Add.1

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Group of Negotiations on Goods (GATT)

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Negotiating Group on Tropical Products

RESPONSES TO REQUESTS FOR ADDITIONAL INFORMATION

The attached communication received from the delegation of the United States in response to the requests for additional trade information addressed by Australia (MTN.GNG/NG6/TI/3) is circulated to the members of the Group.

In reply to your letter of 5 September 1988, I would like to submit the following information provided by my government. This information relates to products falling within the seven product categories being discussed in the Group to date. In providing these responses, I draw your attention to the decision of the Negotiating Group that the product categories in question do not necessarily constitute a list of tropical products.

1. Rice Export Export Enhancement Program (EEP): The EEP is authorized under the Food Security Act of 1985. The Act requires the Secretary of Agriculture to use commodities owned by the Commodity Credit Corporation (CCC) to carry out the program. Under the Act, the USDA was authorized to use CCC owned commodities as export bonuses through fiscal year 1988. The EEP was extended through the next fiscal year via the Appropriations Act of 1989 for one year. FY 1989 expenditures have been capped at \$770 million. The purpose of the EEP program is to make U.S. products competitive in the world market place by offsetting the adverse affects of export subsidies or other unfair trade practices of our competitors.

A complete description of the EEP program can be found in Document L/6111/Add. 17.

The U.S. has announced Rice EEP programs to Turkey (70,000 MT in 1987) and Jordan (40,000 MT in 1987, and 50,000 MT in 1988).

Marketing loans: A marketing loan is a modified non-recourse loan whereby a commodity loan is given to producers based on the loan rate for that commodity. The loan is repaid at the market price at the time of repayment or the original loan rate, whichever is lower. Under the marketing loan, the commodity is sold on the open market. This is in contrast to a traditional non-recourse loan where the commodity is passed to the CCC when the market price is less than the loan rate plus accrued interest. Therefore, when the market price is lower than the original loan rate, the marketing loan permits sale of the commodity on the open at the world price rather than forfeiting it to the CCC. Estimated outlays under the marketing loan program for the 1987/88 marketing year (August 1 - July 31) totaled \$102 million.

2. 0602.10
0602.99

The United States maintains no Non-Tariff barriers governing the import of these products.

The United States restricts the imports of herbaceous perennials and other live plants with soil attached for Phytosanitary reasons. Product of Canada is excluded from this restriction.

The United States also requires that other live plants, including unrooted cuttings and slips, require an import permit issued by APHIS, and are subject to inspection upon landing and may be fumigated for exotic plant pests. Some products from specific countries may be prohibited from entry for phytosanitary reasons. A complete list of these products may be found in the United States Federal Code of Regulations, Document 7CFR319.37. A copy of these regulations were submitted to the GATT Secretariat in 1981.

3. 0603.10
0603.90

The United States maintains no Non-Tariff barriers governing the import of these products.

The United States requires that importers of certain cut-flowers, specifically, Azalias, Camelias, Gardenias, Lilacs, Rhododendrons, and Roses, obtain phytosanitary import permits for entry into the United States. Permit products, as well as other products not requiring permits, are subject to inspection when landing in the United States and fumigation may be required. Permits are obtained through the Animal Plant Health Inspection Service (APHIS).

4. 0802.90

The United States maintains no Non-Tariff barriers governing the import of these products.

Chestnuts must be fumigated.

Acorns, coconuts with husk, and macadamia nuts in shell or husk, are prohibited from entry, for phytosanitary reasons.

5a. 0804.40

The United States maintains no Non-Tariff Barriers governing the import of these products.

The U.S. maintains certain grade, size, and packaging standards on Florida Avocados. These standards are applied to all imported Avocados as well. Import of avocados are prohibited from Australia because of seed pests and fruit fly.

5b. 0804.50

The United States maintains no Non-Tariff barriers governing the import of these products.

With respect to mangoes, the United States requires that all mangoes entering the United States be treated for pests. The method of treatment must be approved by the United States Animal Plant Health Inspection Service (APHIS) and be carried out in the country of origin. Mangoes are prohibited from Australia because of fruit fly and seed weevil. There is currently no treatment for the Queensland fruit fly and the Mediterranean fruit fly.

Imports of guava and mangosteens are prohibited from Australia due to fruit fly.

6. 0910.10 The United States maintains no Non-Tariff barriers governing the import of ginger.
7. 1202.10
1202.20
2008.11 The import of ground nuts under sub-headings 1202.10, 1202.20, and ex2008.11 (peanut butter is not subject to quota), are restricted by quota under Section 22 of the Agricultural Adjustment Act of 1933 as amended. The United States maintains these quotas under Section 22 through a GATT waiver granted to the United States in 1955.
- Annual imports of product under these sub-headings are limited to 775,189 kgs. Peanuts in shell are charged against this quota on the basis of 75 kgs per 100 kgs of peanuts in shell.
8. 2006.00 The United States maintains no Non-Tariff barriers governing the import of these products.
- 9a. 2008.19
2008.99 The United States maintains no Non-Tariff barriers governing the import of these products.
- 9b. 2008.92 Products under this sub-heading containing over 65% by dryweight of sugars derived from sugar cane or sugar beets, whether or not mixed with other ingredients, capable of being further processed or mixed with similar or other ingredients, and, not prepared for marketing to retail consumers in the identical form and package in which imported, are subject to quota, under Section 22 of the Agricultural Adjustment of 1933, as amended. The United States legally maintains these quotas under Section 22 through a GATT waiver granted to the United States in 1955.
- The quota is currently in effect.
10. 4408.90 The United States maintains no Non-Tariff barriers governing the import of these products.
11. 4412.12 The United States maintains no Non-Tariff barriers governing the import of these products.