

**MULTILATERAL TRADE  
NEGOTIATIONS  
THE URUGUAY ROUND**

RESTRICTED

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Group of Negotiations on Goods (GATT)  
Negotiating Group on Agriculture

UNDERTAKINGS PURSUANT TO PARAGRAPH 15 OF  
THE MID-TERM REVIEW DECISION ON AGRICULTURE

Notification from the United States

Introduction

1. Paragraph 15 of the Mid-Term Agreement on Agriculture called for participants to reduce agricultural support and protection levels for 1990. The United States intends to meet this commitment by undertaking, at a minimum, the following actions. To the extent that further actions in this regard become possible, the United States will notify these when appropriate.

Internal support

2. The following reductions in administered prices for the 1990 crop year are planned:

Commodity	Marketing year	
	1989/90	1990/91
Wheat (US\$/bushel)		
Target price	4.10	4.00
Loan rate	2.06	1.95
Corn (US\$/bushel)		
Target price	2.84	2.75
Loan rate	1.65	1.57
Grain sorghum (US\$/bushel)		
Target rate	2.70	2.61
Loan rate	1.57	1.49
Barley (US\$/bushel)		
Target rate	2.43	2.36
Loan rate	1.34	1.28
Oats (US\$/bushel)		
Target rate	1.50	1.45
Loan rate	0.85	0.81
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Commodity	Marketing year	
	1989/90	1990/91
Rye (US\$/bushel)		
Loan rate	1.40	1.33
Upland cotton (¢/lb.)		
Target price	73.40	72.90
Extra Long Staple Cotton (¢/lb.)		
Target price	96.70	TBA
Loan rate	81.77	TBA
Rice (\$/cwt.)		
Target price	10.80	10.71
Loan rate	6.50	TBA

3. Also,\* the Agricultural Reconciliation Act of 1989 calls for a reduction in the actual deficiency payments to farmers for 1990 crops as follows: for wheat, a reduction of 2.33 cents per bushel; for corn 2.33 cents per bushel; for other feedgrains, an amount comparable to that for corn as determined by the Secretary of Agriculture; for upland cotton, 0.515 cents per pound; and for rice, 5.15 cents per cwt.

#### Export competition

4. Budget authorization for the Export Enhancement Programme (EEP) has been reduced from US\$770 million in fiscal year 1989 to US\$566 million in fiscal year 1990.\*

#### Import access

5. The "headnote" quota for sugar imports was set at 1,125,255 MT, raw value, for calendar year 1989. In September 1989, the quota period was extended to cover the period from 1 January 1989 to 30 September 1990 and the quota amount was raised 846,000 MT to a total of 1,986,950 MT for the twenty-one-month period. On 24 November 1989, this twenty-one-month quota was raised another 272,915 MT to 2,259,865 MT. In total, this represents an increase of 15 per cent in the quota on an annualized basis.

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\* These provisions will not be final until the President signs the Budget Bill, of which the Agricultural Reconciliation Act is a component. When this has been signed, we will submit an addendum.

TBA = To be announced.