

# GENERAL AGREEMENT ON TARIFFS AND TRADE

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Committee on Trade in Agriculture

INFORMATION ON MEASURES AFFECTING TRADE  
SUBMITTED BY THE UNITED STATES

Note by Secretariat

1. This note has been prepared by the secretariat in order to facilitate the organization of the discussion on the Committee, notably with respect to Exercise A, as it was suggested by the Chairman at the meeting in June 1983 (AG/M/2, paragraph 23). It provides a summary of the information on measures affecting trade submitted by the United States in document AG/FOR/US/1.
2. The information covers all products falling with CCCN Chapters 1 to 24, with the exception of Chapter 3, which the United States does not treat as agricultural, and of CCCN headings 12.02 and 15.08. The United States does not employ the CCCN system of tariff classification and it was not possible for the United States to identify the US tariff positions corresponding to these two CCCN numbers. The United States has submitted information also on wool (CCCN heading 53.01), mohair (ex CCCN heading 53.02), and cotton (CCCN heading 55.01).

Measures affecting export

3. The United States has notified the following types of measures as affecting export: deficiency payments, price support and export subsidy under column 2 (subsidies); blended credit and export credit guarantee under column 3 (non-commercial credit); concessional sales and donations under column 4 (other forms of assistance); and production controls, payment in kind, stocking requirements, and bilateral supply agreements under column 7 (other). In a general note to its submission, the United States states that it has needed no special measures to enable it to respect the minimum export prices established by the International Dairy Agreement.
4. These measures apply to the following number of CCCN headings: deficiency payments (8 CCCN lines at four-digit level), price support (8 CCCN lines and partially on 2 CCCN lines), an export subsidy (one partial CCCN line), blended credits (7 CCCN lines and 9 partial lines), export credit guarantees (7 CCCN lines and 14 partial lines), concessional sales (7 CCCN lines and 2 lines partially), donations (4 CCCN lines and 8 partial lines), production controls (5 CCCN lines and 3 partial lines), payment in kind (2 CCCN lines and 1 partial line), storage requirements (one CCCN line) and bilateral supply agreements which are in effect with the USSR and the People's Republic of China, covering 2 CCCN lines, wheat and corn.

5. As regards deficiency payments, price support and production controls on cotton (CCCN heading 55.01), the US considers these to be covered by Article XXV:5 and has classified them under (b) "measures taken by virtue of waivers granted under Article XXV:5 ...". However with regard to other products, the United States considers Article XVI:1 to be relevant to deficiency payments, price support, production controls as well as payment in kind. It has classified these measures under (f). Export subsidies and blended credit are covered under Article XVI:3 in the US view and are classified under (a) "measures taken by virtue of provisions with special reference to agriculture in the General Agreement". No specific reference to a GATT provision is given for export credit guarantee, concessional sales and donations. The United States has indicated the classification (f) for them. In a general note, the United States explains that the stocking requirement pertains to the commitment of 4 million tons of wheat to the International Emergency Wheat Reserve. Article XXh is referred to and the measure is classified under (a). Classification (e) "measures not explicitly provided for in the General Agreement" is given for bilateral supply agreements.

#### Measures affecting import

##### (i) Tariffs

6. The United States has submitted information on tariff rates, based on estimates in most cases on the ad valorem equivalent of rates in force in 1982. Bindings exist on all CCCN lines either in full (137 CCCN lines at four-digit level) or partially (32 lines). As regards full bindings of CCCN lines, the United States considers Article II to be relevant and has classified these measures under (f). Article II is also indicated for partial bindings. Classification (c) "measures resulting from the lack of observance or application of certain provisions of the General Agreement" as well as (f) is shown with regard to partial bindings.

7. The United States has notified that it applies the Generalized System of Preferences on 13 CCCN lines and 75 partial lines. It considers the Enabling Clause to be relevant to these preferences and has classified them under (f).

8. The United States has implemented Tokyo Round tariff cuts for the least developed countries in 1980, whereas these cuts will not be fully implemented for other countries until 1987. Such "other preferences" apply to 4 CCCN Lines and 34 partial lines. The United States considers the Enabling Clause as relevant to these preferences and has classified them under (f).

##### (ii) Other measures

9. The United States has notified the following types of other measures as affecting imports: import levies and fiscal duties under column 9 (levies and other charges); voluntary restraint agreement,

licensing, global quotas, bilateral quotas under column 10 (licensing and import restrictions); sanitary regulations under column 11, and price support, production controls, domestic subsidies, deficiency payments and an other form of import control under column 14 (other).<sup>1/</sup>

10. The above measures apply to the following number of tariff lines: import levies (3 CCCN lines), fiscal duties (6 CCCN lines and 1 partial line), voluntary restraint agreement (one partial line but not currently in effect), licensing (2 CCCN lines), global quotas (7 CCCN lines and 2 partial lines), bilateral quotas (6 CCCN lines and 4 partial lines), sanitary regulations (2 CCCN lines), price support (4 CCCN lines and 2 partial lines), production controls (1 CCCN line), domestic subsidies (3 CCCN lines), deficiency payments (2 CCCN lines), and an other form of import control (1 partial line).

11. The United States has indicated that Article XXV:5 covers the following measures: import levies, licensing, global quotas, bilateral quotas, price support (except with regard to honey), and production controls. It has classified these measures under (b). With respect to price support on honey (CCCN heading 04.06), no specific reference to a GATT provision is given and the measure is classified under (f). A voluntary restraint agreement is classified by the United States under (e). Article XXb is indicated as relevant to sanitary regulations and this type of measure is classified under (a). Domestic subsidies, an other form of import control and deficiency payments are classified under (f) with no specific reference given to a GATT provision. Article III is considered to cover fiscal duties and these measures are classified under (f).

Summary<sup>2/</sup>

12. The United States applies 4 types of measures (blended credit, export subsidies, storage requirements, and sanitary regulations) affecting 17 CCCN lines fully or partially which are classified under (a). Seven types of measures (deficiency payment, price support, production controls, bilateral quotas, global quotas, licensing, import

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<sup>1/</sup> In a general note, the US explains that sanitary and phyto-sanitary regulations are included only to the extent that other countries have indicated an interest in them. Licensing is included when it is used as an import control measure, but not when it refers to health, safety or other special regulations in which no interest has been expressed. Grading and quality standards are not included. In fulfilment of obligations under the international agreements governing sugar and coffee, the United States limits imports from non-member countries but has not specifically noted this on the format.

<sup>2/</sup> Not all the types of measures indicated for a particular classification apply to all the CCCN lines cited but sometimes some of the measures apply to the same tariff lines.

levies) affecting 14 CCCN lines in full or partially, have been classified under (b). The United States has classified 1 type of measure (unbound tariffs) affecting 32 CCCN lines partially under (c). No measures are classified under (d). Two types of measures (voluntary restraint agreement not currently in effect and bilateral supply agreements) relating to 3 CCCN lines fully or partially have been classified under (e). The United States has classified 13 types of measures (export credit guarantee, concessional sales, donations, deficiency payments, price support, production controls, payment in kind, bound tariffs, GSP preferences, other preferences, domestic subsidies, fiscal duties, and other form of import control) affecting all (169) CCCN lines under (f).