

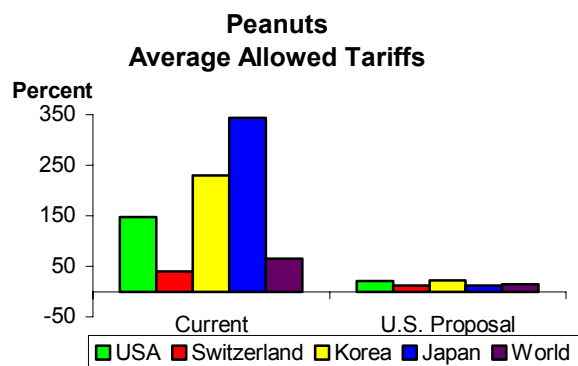
What's at Stake for Peanuts?

The July 2002 U.S. agriculture proposal for the World Trade Organization Doha Development Agenda calls for ambitious reforms to open global markets for American agriculture. The U.S. initiative would correct many of the disparities U.S. peanuts currently face at home and abroad.

Market Access

High Tariffs: The average WTO allowed tariff for peanuts is 65%

Reduce and Harmonize Tariffs: The United States is calling for a formula that would reduce high tariffs more than low tariffs with no tariff line greater than 25%, creating more equitable treatment for U.S. peanuts.



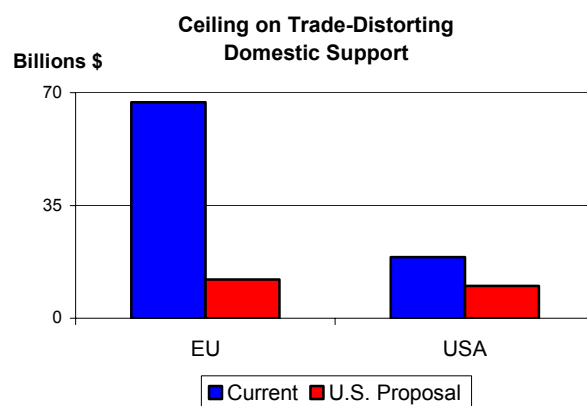
Export Competition

Elimination of Export Subsidies: The U.S. proposal would eliminate export subsidies over a five-year implementation period.

Domestic Support

Reduce and Harmonize Domestic Support: Under the U.S. proposal, the amount of trade-distorting domestic support available to any country would be capped at 5% of the total value of production. For example, the amount available to the European Union (EU) across all products would drop from more than \$67 billion a year to around \$12 billion. The “blue box” exemption, which

accounted for \$22 billion of support in the EU during marketing year 1998/99, would be eliminated. The U.S. maximum allowed trade-distorting support would fall from \$19 billion to around \$10 billion.



Top U.S. Export Markets, 2001

1. Canada	\$44 million
2. Netherlands	\$22 million
3. Mexico	\$16 million
4. United Kingdom	\$11 million
5. Japan	\$5 million

Total U.S. Peanut Exports, 2001 \$194 million

Top U.S. Import Sources, 2001

1. Argentina	\$37 million
2. Mexico	\$5 million
3. South Africa	\$3 million
4. Nicaragua	\$2 million

Total U.S. Peanut Imports, 2001 \$47 million