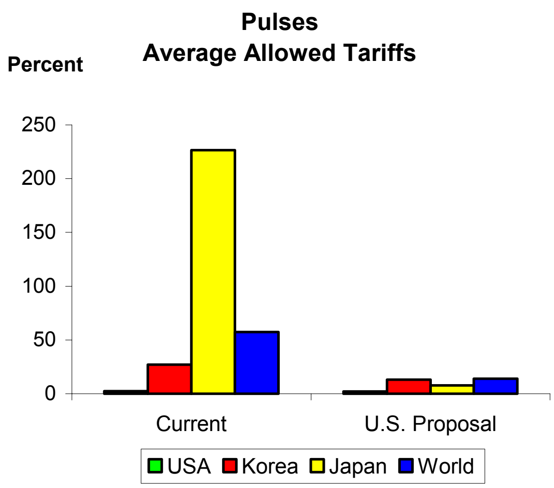
What's at Stake for Pulses?

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. pulses currently face in global markets, particularly in the areas of market access and domestic support.

Market Access

High Tariffs: The average allowed WTO tariff for pulses is 57%.

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. pulses.



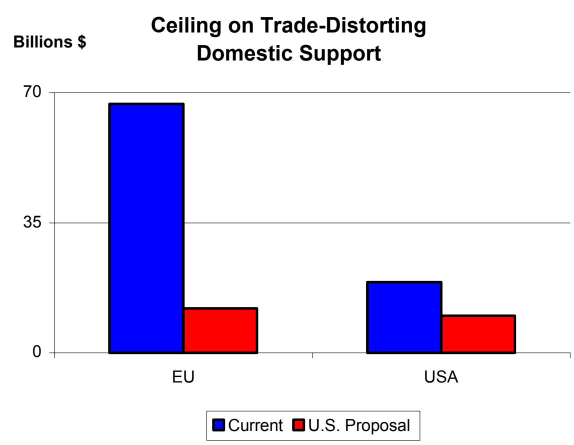
Export Competition

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

Domestic Support

Trade-Distorting Domestic Support: In marketing year 1998/99, the European Union (EU) provided $77 million in "amber box" support and $707 million in "blue box" support to pulse producers.

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 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		**Top U.S Import Sources, 2001**	
1. Mexico	$45 million	1. Canada	$53 million
2. Canada	$27 million	2. India	$22 million
3. United Kingdom	$26 million	3. China	$11 million
4. Spain	$17 million	4. Mexico	$8 million
5. Algeria	$11 million	5. Peru	$5 million
Total U.S. Pulse Exports	$270 million	Total U.S. Pulse Imports	$116 million