

USTR NEWS

UNITED STATES TRADE REPRESENTATIVE

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Washington, D.C. 20508

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For Immediate Release:

February 13, 2008

Statement from Gretchen Hamel, USTR spokeswoman, regarding the appeal of the WTO Final Compliance Panel Report in United States—Subsidies on Upland Cotton:

“On February 12, 2008, the United States filed its appeal in the WTO dispute brought by Brazil alleging that the United States had not implemented earlier WTO findings against U.S. agricultural support measures, including support for cotton farmers.

“The appeal is from the report of a compliance panel that found that certain changes made by the United States to its cotton programs were insufficient to bring the challenged measures - certain support payments under the 2002 farm bill and export credit guarantees - into conformity with U.S. WTO obligations.

“We are appealing because we the changes made by the United States have brought its programs into full compliance with the WTO’s recommendations and rulings in the original Cotton case. We were very disappointed with the compliance panel’s findings. The appeal challenges the erroneous findings on both U.S. support payments and export credit guarantees. We will continue to consult with Members of Congress and private sector stakeholders, including the agricultural community, as we move forward with the appeal.

“Given the opportunity presented in the Doha negotiations, we have emphasized all along the importance of delivering reform in agricultural trade through negotiations rather than litigation. We therefore hope that WTO Members, including developing countries like Brazil, will see the benefit of working together to deliver real progress in the Doha negotiations.”

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