

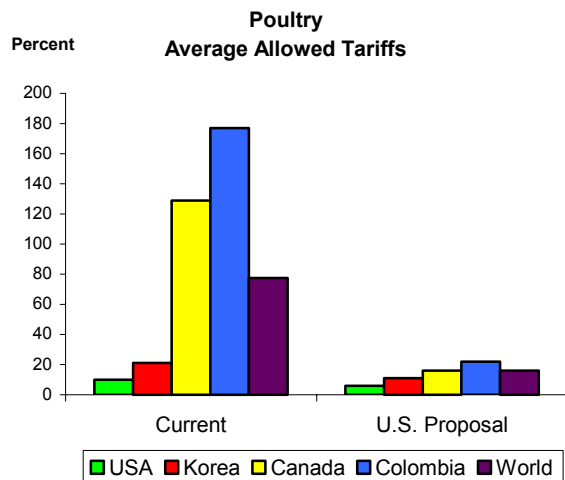
## What's at Stake for Poultry?

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. poultry currently faces in global markets, particularly in the areas of market access and export subsidies.

### Market Access

**High Tariffs:** The average WTO allowed tariff for poultry is 77%.

**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. poultry.



### Export Competition

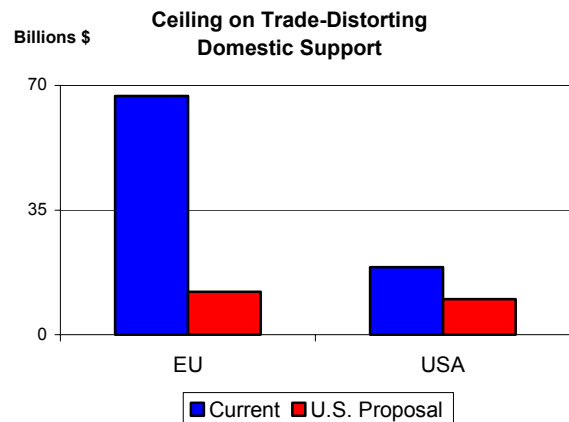
**Export Subsidies:** While the United States provided \$6.8 million in export subsidies to poultry producers in marketing year 2000/01, the European Union (EU) provided

\$52 million, with the allowance to spend as much as \$83 million on poultry exports.

**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 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. Russia	\$657 million
2. Hong Kong	\$335 million
3. Mexico	\$237 million
4. Canada	\$155 million
5. Japan	\$81 million

Total U.S. Poultry Exports \$2 billion

**Top U.S. Import Sources, 2001**

1. Canada	\$28 million
2. France	\$1 million

Total U.S. Poultry Imports \$29 million