

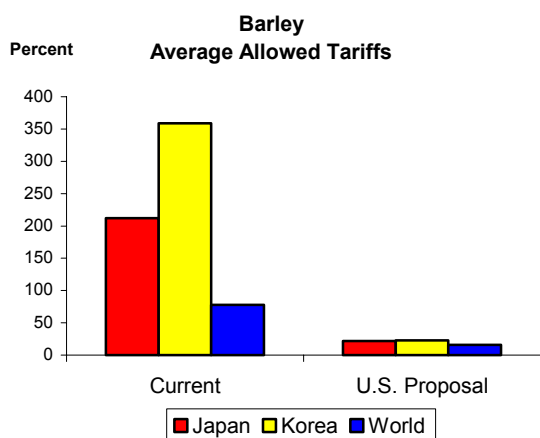
## What's at Stake for Barley?

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. barley currently faces in global markets in the areas of market access, export competition, and domestic support.

### Market Access

High Tariffs: The average allowed WTO tariff for barley is 78%. The U.S. tariff is less than 1%.

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. barley.



### Export Competition

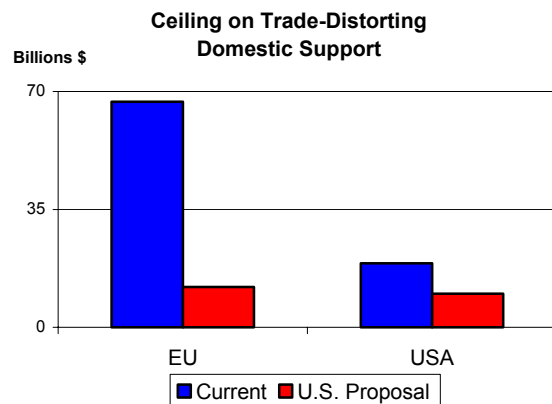
Export Subsidies: The European Union has the allowance to spend more than \$1 billion on coarse grains.

U.S. Proposal on Export State Trading: 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 \$3 billion in "amber box" support to barley producers and \$11.6 billion in "blue box" support to cereal producers, excluding corn. In 1998, the U.S. provided \$84 million in "amber box" support to barley 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**

1. Japan	\$53 million
2. Mexico	\$19 million
3. Saudi Arabia	\$14 million
4. Canada	\$10 million
5. United Kingdom	\$4 million

Total U.S. Barley Exports    \$117 million

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

1. Canada	\$84 million
2. United Kingdom	\$114,000
3. Thailand	\$26,000
4. Korea	\$24,000
5. China	\$17,000

Total U.S. Barley Imports    \$77.5 million