

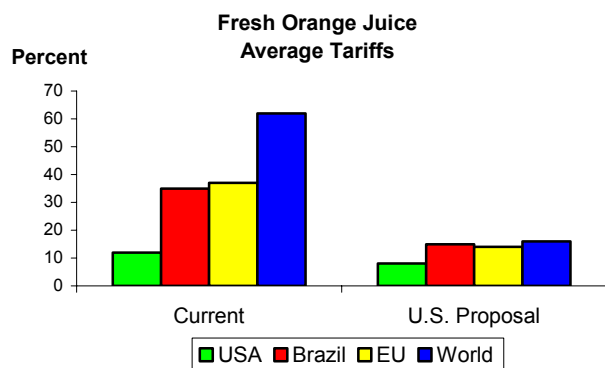
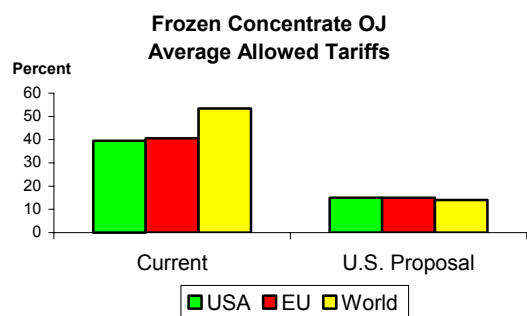
What's at Stake for Orange Juice?

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. orange juice currently faces in global markets, particularly in the area of market access.

Market Access

High Tariffs: The average allowed WTO tariff on frozen concentrated orange juice is 53%.

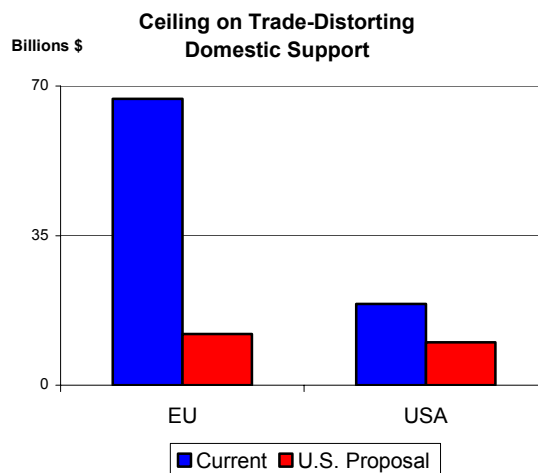
Reduce and Harmonize Tariffs: The United States is calling for a formula that would reduce high tariffs more than low tariffs with no tariff line greater than 25%, creating more equitable treatment for U.S. orange juice.



Domestic Support

Production Subsidies: The EU provides \$303 million of “amber box” support to the orange industry.

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.



Export Competition

Export Subsidies: In marketing year 2000/01, the EU provided \$3.6 million in export subsidies to the processed fruit and vegetable sectors, with an allowance to spend as much as \$7.6 million on processed fruit and vegetable exports.

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

Top U.S. Export Markets, 2001

1. Canada	\$117 million
2. Netherlands	\$47 million
3. Belgium/Lux.	\$19 million
4. Japan	\$14 million
5. Korea	\$9 million

Total Orange Juice Exports \$232 million

Top U.S. Import Sources, 2001

1. Brazil	\$80 million
2. Costa Rica	\$34 million
3. Mexico	\$28 million
4. Belize	\$21 million
5. Honduras	\$5 million

Total Orange Juice Imports \$175 million