

108TH CONGRESS
1ST SESSION

S. RES. 217

Expressing the sense of the Senate regarding the goals of the United States in the Doha Round of the World Trade Organization agriculture negotiations.

IN THE SENATE OF THE UNITED STATES

AUGUST 1 (legislative day, JULY 21), 2003

Mr. CONRAD (for himself, Mr. GRASSLEY, Mr. BAUCUS, and Mr. HARKIN) submitted the following resolution; which was referred to the Committee on Finance

RESOLUTION

Expressing the sense of the Senate regarding the goals of the United States in the Doha Round of the World Trade Organization agriculture negotiations.

Whereas the cap on trade-distorting domestic support available to producers in the European Union under the Agreement on Agriculture of the World Trade Organization is 3 times higher than the cap on domestic support available to producers in the United States;

Whereas according to the Organization for Economic Cooperation and Development (OECD), in 2002 government support provided to agricultural producers in the European Union was twice the level provided to producers in the United States, and United States agricul-

tural support was just 58 percent of the average level provided in all 30 OECD-member countries;

Whereas in 2000 the European Union accounted for more than 87 percent of the world's agricultural export subsidies, and the United States represented just 1 percent;

Whereas according to the Congressional Budget Office, expenditures under United States farm and conservation programs are expected to remain at least 20 percent below the average of such expenditures during the years 2000 and 2001;

Whereas the results of the Doha Development Agenda of the World Trade Organization negotiations on agriculture are critically important to the future of farming and ranching in the United States;

Whereas the World Trade Organization will hold a Ministerial Meeting in Cancun, Mexico, in September 2003, at which members of the World Trade Organization are expected to make decisions that will determine the broad outlines of any agreement on agriculture reached in the Doha Development Agenda; and

Whereas the Chairman of the World Trade Organization Agriculture Negotiations Committee has proposed a modalities framework to serve as the basis for discussion and decisions at the Ministerial Meeting in Cancun: Now, therefore, be it

- 1 *Resolved*, That it is the sense of the Senate that—
- 2 (1) the goals of the United States in the Doha
- 3 Round of the World Trade Organization agriculture
- 4 negotiations are to achieve significantly increased
- 5 market access, to harmonize allowed levels of trade-

1 distorting domestic support for all countries, to im-
2 mediately eliminate export subsidies, and to achieve
3 a more level playing field in the world market for
4 United States farmers, ranchers, and agricultural
5 producers;

6 (2) the Chairman of the World Trade Organiza-
7 tion Agriculture Negotiations Committee has prop-
8 erly sought to move the negotiations forward, but
9 the proposed modalities framework he has released
10 fails to meet the goals described in paragraph (1)
11 because—

12 (A) the framework accepts the European
13 formulation of equal percentage reductions from
14 unequal levels of support that locks in place the
15 European Union’s current advantage on trade-
16 distorting domestic support levels;

17 (B) while the framework recognizes that
18 high tariff levels should be reduced more quick-
19 ly, it nevertheless fails to sufficiently open ex-
20 port markets for United States products by al-
21 lowing countries to maintain prohibitively high
22 tariffs;

23 (C) while the framework eliminates trade-
24 disrupting export subsidies, it phases out the

1 elimination of export subsidies over too long a
2 period of time;

3 (D) the framework contains a potentially
4 unlimited tariff reduction loophole that would
5 disadvantage United States agricultural prod-
6 ucts exported to developing countries, and
7 would also limit trade between developing coun-
8 tries; and

9 (E) the framework preserves trade-dis-
10 torting direct payments under production-lim-
11 iting programs that are not subject to commit-
12 ments to reduce domestic support under the
13 Agreement on Agriculture of the World Trade
14 Organization; and

15 (3) the United States should not agree to the
16 proposed framework unless and until it is substan-
17 tially improved in order to result in significantly in-
18 creased market access, the harmonization of allowed
19 levels of trade-distorting domestic support, and a
20 more level playing field for United States farmers,
21 ranchers, and agricultural producers.

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