Page 10 in document AG/DOC/2/US/1/Rev.1 should be replaced by the attached pages 2 and 3 which supersede those in AG/DOC/2/US/1/Rev.1/Corr.1.
Product: Beet sugar and cane sugar, solid (CCCN 17.01)

Country or group maintaining measures: United States

Countries indicating an interest: Brazil, Canada, Romania

(a) Description:

Global quota (with country-by-country allocations) (TSUSA 155.20, 155.21).

(b) Comments by other countries:

Canada: See under 04.04.

Brazil:

"As a result of the restrictive measures adopted in May 1982, by the Government of the United States, Brazilian exports of sugar to that market have been reduced, in comparison to 1981, by 79 per cent in volume and around $250 million in value.


Furthermore, the Brazilian Government maintains that the simultaneous application of import quotas and 'fees', as it was the case during a certain period of time, is not compatible with the waiver granted by the CONTRACTING PARTIES in 1955.

The consultations referred to above and the explanations received at the Working Party which examined the twenty-fourth annual report on import restrictions in effect under Section 22 of the United States Agricultural Adjustment Act, as amended (document L/5328), confirmed the Brazilian Government's impression that the restrictive measures were and are still prejudicial to Brazil's interests as a major sugar exporter. Brazil therefore reserved its rights under the General Agreement during the Council meeting held from 2-5 November 1982 (document C/M/162, dated 19 November 1982)."

(c) Comments by country maintaining the measures:

1. United States restrictive measures on sugar were taken in response to developments on the world sugar market reflecting measures (especially the
Product: Country or group Countries indicating (CCCN) maintaining measures: an interest:
Beet sugar and United States Brazil
cane sugar, solid Canada
(17.01) Romania

(c) Comments by country maintaining the measures:

export practices of certain countries) over which the United States exercises no control. The United States does not agree with the Brazilian comments concerning the conformity of the United States measures with GATT rules.

2. The United States considers that the quotas on sugar conform with United States obligations under the General Agreement. The quotas are applied under the domestic authority of the headnote in the TSUS, which forms an integral part of the United States tariff concession on sugar, embodied in the United States, Schedule XX, the United States GATT Schedule of Concessions.

3. Under the separate domestic authority of Section 22, fees on sugar imports were for a time applied at the same time quotas were maintained under the separate domestic and GATT authority. The fee is now zero. The United States GATT waiver for an action under Section 22 does not preclude a separate United States action on the same products under a separate domestic authority, either as a matter of domestic law or under GATT.

4. Concerning the assertion by Brazil that, as a result of the bilateral consultations held in September 1982, as well as the explanations received in 1982 when the 24th annual report of the waiver was examined, Brazil's impression was confirmed that the United States measures are prejudicial to Brazil's interests, it should be noted that this is the view of Brazil.