

## **Appendix A**

### ***WTO Objectives for the U.S. Cotton Industry***

The primary negotiating objectives of the National Cotton Council of America with respect to the Doha Round of Trade Negotiations are as follows:

1. Provide timely, effective and reciprocal access to foreign markets for U.S. cotton and its products.
  - Bound rates of tariffs should be made equivalent with applied rates and then made comparable to US rates;
  - Non-tariff barriers, which are being increasingly erected to block imports, should be eliminated; and
  - U.S. textile and apparel exports should enjoy the same level of market access that textile exporting countries enjoy in the U.S. market.
2. Stop the erection of non-tariff trade barriers against agricultural biotechnology products.
  - The fundamental aspects of the Sanitary and Phytosanitary Agreement (SPS) should continue to apply to trade in agricultural biotechnology products.
3. Improve disciplines applicable to the state trading of agricultural commodities.
4. Reduce and bind textile and apparel tariffs to levels that are the same as or lower than those currently in the United States.
5. Improve rules restricting the use of export subsidies, including rules with respect to downstream subsidization of agricultural products, use of export taxes to reduce prices of processed products, content requirements for exports, exemptions from taxes for exported products and the refund of value-added taxes that unfairly enhance the competitiveness of exported products.
  - The refund of special value-added-taxes (VAT) on processed products that are exported is commonly used in many textile exporting countries to help subsidize textile and apparel exports. This activity should be classified as an export subsidy, and its use should be prohibited.
6. Reduce trade distorting agricultural subsidies worldwide, but preserve important U.S. domestic and export programs as long as necessary to compete with the treasuries of our competitors.
7. Maintain strong U.S. rules to protect against unfair trade practices.
  - The National Cotton Council is opposed to any weakening of U.S. countervailing duty and anti-dumping laws.
8. Do not restrict the ability of the United States to enter into beneficial regional trading arrangements.
9. Improve the ability of the WTO to address managed and/or manipulated exchange rates.
10. Do not include cotton-specific provisions that are unfair or require inequitable and disproportionate changes in the U.S. cotton program or other U.S. policies that affect cotton.
11. Ensure that developing countries that are competitive in international markets with respect to certain commodities or products are made to conform to trade disciplines that are equivalent to those adhered to by developed countries.