Congressional Research Service

# U.S. Agricultural Trade: Trends, Composition, Direction, and Policy


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# Summary


U.S. agricultural exports for FY2010 are forecast by the U.S. Department of Agriculture to reach $100 billion, while agricultural imports are expected to reach $77.5 billion. The agricultural trade surplus is projected to be $22.5 billion. Exports of high-value products (e.g., fruits, vegetables, meats, wine and beer) have increased since the early 1990s and now account for 60% of total U.S. agricultural exports. Exports of bulk commodities (e.g., soybeans, wheat, and feed grains) remain significant.

Leading markets for U.S. agricultural exports are Canada, Mexico, China, Japan, the European Union (EU), South Korea, and Taiwan. The United States in 2010 is forecast to be the world's leading exporter of corn, wheat, soybeans, and cotton. The U.S. share of world beef exports, which declined after the 2003 discovery of a case of "mad cow disease" in the United States, is recovering as more countries have re-opened their markets to U.S. product. The United States, European Union, Australia, and New Zealand are dominant suppliers of dairy products in global agricultural trade. New Zealand and the United States are the main suppliers of nonfat dry milk to world markets, while the EU is the leading supplier of cheeses.

Among the fastest-growing markets for U.S. agricultural exports are Canada and Mexico, both partners with the United States in the North American Free Trade Agreement (NAFTA). U.S. agricultural exports to China, a member of the World Trade Organization since 2001, have grown at an annual rate of 15.7% since 1992.

Most U.S. agricultural imports are high-value products, including fruits, nuts, vegetables, wine, and beer. The biggest import suppliers are the EU and NAFTA partners, Canada and Mexico, which together provide 42% of total U.S. agricultural imports. Brazil, Australia, Indonesia, New Zealand, and Colombia are also important suppliers of agricultural imports to the United States.

According to estimates by the Organization for Economic Cooperation and Development (OECD), the United States provides the third-lowest amount of government policy-generated support to its agricultural sector among OECD countries. The United States' average applied tariff for agricultural products is estimated by the World Trade Organization to be 8.9%, a little more than twice the average applied tariff for non-agricultural products. Export subsidies, export credit guarantees, and market development programs are among the programs available to the United States to promote U.S. agricultural exports.

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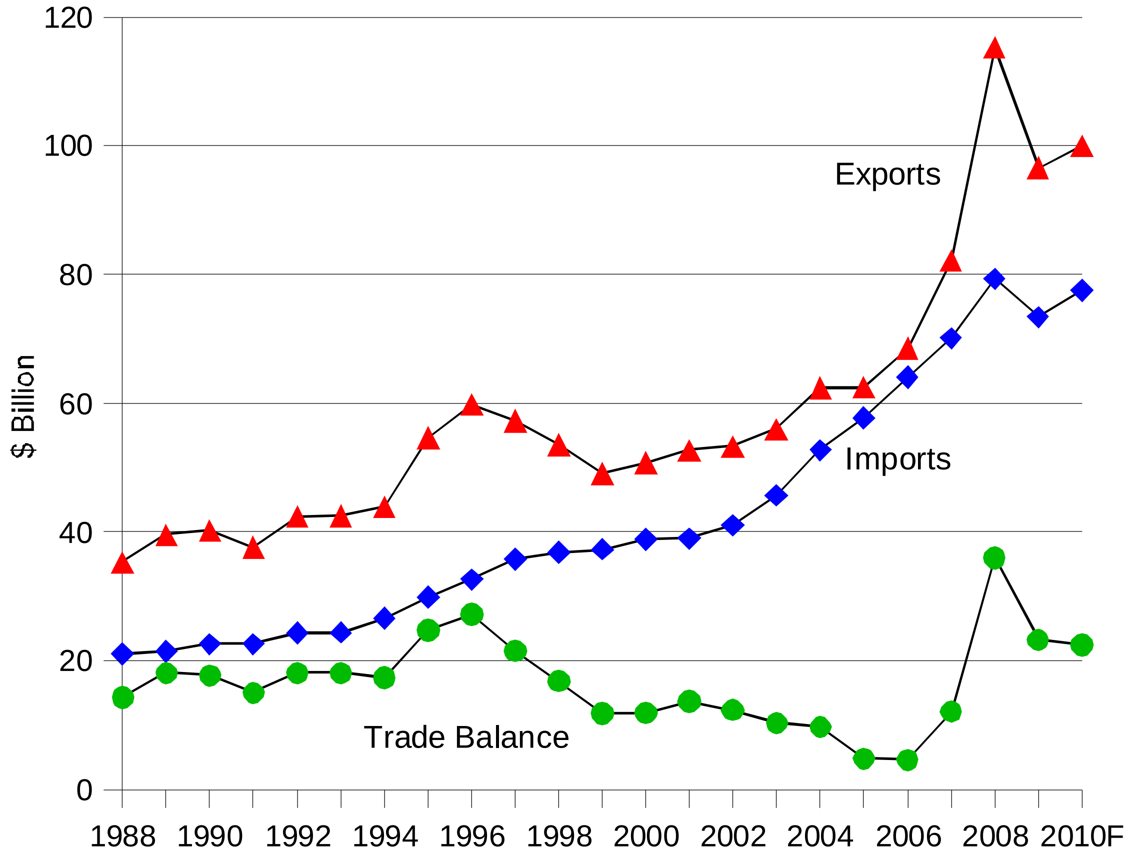
# U.S. Agricultural Exports, Imports, and Trade Balance

- According to USDA, FY2010 agricultural exports are forecast to be $100 billion, well below the fiscal 2008 record, but the second-highest ever. Increased demand for both high-value products and commodities as the global economy recovers from recession is the main factor behind the FY2010 export number.
- U.S. agricultural imports are forecast to reach $77.5 billion in FY2010, a $4.1 billion increase over FY2009 agricultural imports.
- The $22.5 billion U.S. agricultural trade surplus forecast for FY2010 is well below FY2008's all-time high of $36 billion.

**Figure 1. U.S. Agricultural Exports, Imports, and the Trade Balance, FY1998-FY2010F**




Source: U.S. Department of Agriculture. Economic Research Service. F = Forecast

**Table 1. U.S. Agricultural Exports and Imports, FY1988-FY2010F**

($ billion)

| Year | Exports | Imports | Balance |
|---|---|---|---|
| 1988 | 35.3 | 21.0 | 14.3 |
| 1989 | 39.6 | 21.5 | 18.1 |
| 1990 | 40.2 | 22.6 | 17.7 |
| 1991 | 37.6 | 22.6 | 15.0 |
| 1992 | 42.4 | 24.3 | 18.1 |
| 1993 | 42.6 | 24.4 | 18.1 |
| 1994 | 43.9 | 26.6 | 17.3 |
| 1995 | 54.6 | 29.9 | 24.7 |
| 1996 | 59.8 | 32.6 | 27.2 |
| 1997 | 57.3 | 35.8 | 21.5 |
| 1998 | 53.6 | 36.8 | 16.8 |
| 1999 | 49.1 | 37.3 | 11.8 |
| 2000 | 50.7 | 38.9 | 11.9 |
| 2001 | 52.7 | 39.0 | 13.7 |
| 2002 | 53.3 | 41.0 | 12.3 |
| 2003 | 56.0 | 45.7 | 10.3 |
| 2004 | 62.4 | 52.7 | 9.7 |
| 2005 | 62.5 | 57.7 | 4.8 |
| 2006 | 68.6 | 64.0 | 4.6 |
| 2007 | 82.2 | 70.1 | 12.1 |
| 2008 | 115.3 | 79.3 | 36.0 |
| 2009 | 96.6 | 73.4 | 23.2 |
| 2010F | 100.0 | 77.5 | 22.5 |

**Source:** U.S. Department of Agriculture. Economic Research Service, Outlook for U.S. Agricultural Trade, AES-65, February 18, 2010, available at http://usda.mannlib.cornell.edu/usda/current/AES/AES-02-18-2010.pdf.

**Note:** F= Forecast.

# Shares of U.S. Crop Production Exported: Selected Commodities

- USDA estimates that production from one-third of harvested acreage is exported.
- In 2009/2010, a forecast 41.4% of the U.S. wheat crop will be exported, while 16.5% of the U.S. corn crop will move into world markets.
- The export share of soybeans is forecast to be 40.2% in 2009/2010. A decline from the previous marketing year is due in part to weakened foreign demand for meats and livestock feed.
- Cotton's export share in 2009/2010 is forecast to reach 80%, making cotton the United States' most export-dependent crop.

**Figure 2. U.S. Agricultural Exports: Share of U.S. Production Exported, 1990/1991-2009/2010F**

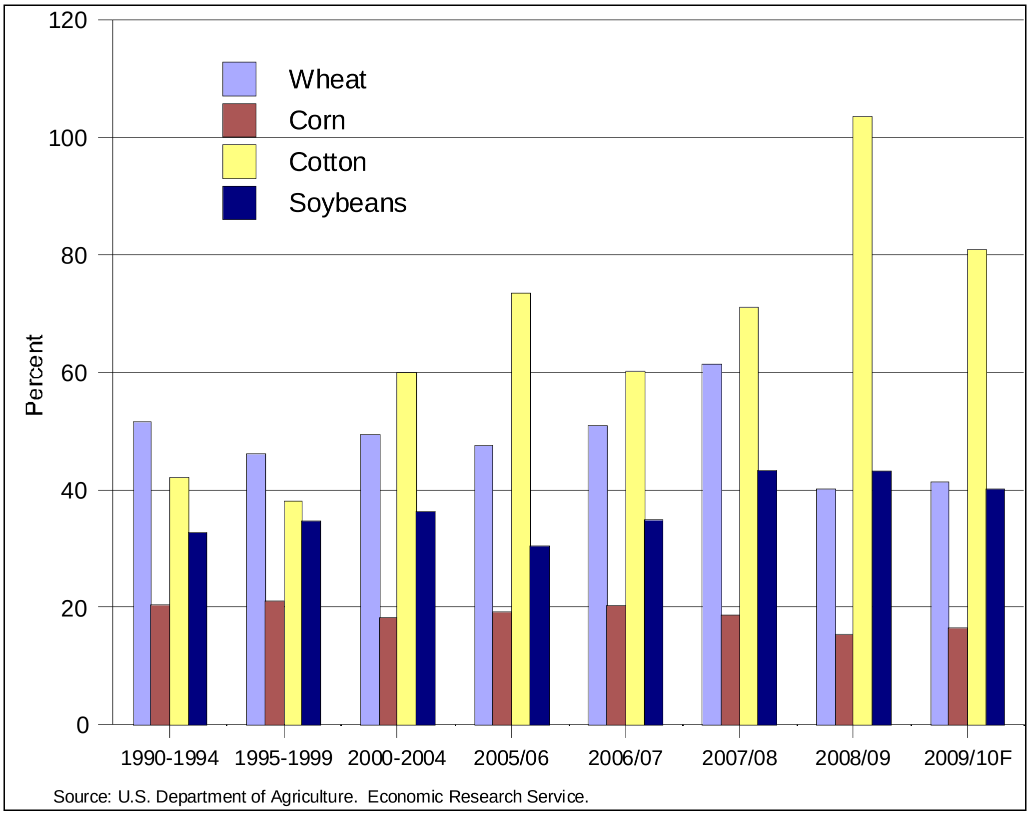


**Table 2. U.S. Agricultural Exports: Shares of U.S. Crop Production Exported, 1990/1991-2009/2010F**

(percent)

| Year | Wheat | Corn | Cotton | Soybeans |
|---|---|---|---|---|
| 1990/1991 | 38.4 | 21.8 | 50.2 | 28.9 |
| 1991/1992 | 65.5 | 21.2 | 37.7 | 34.4 |
| 1992/1993 | 55.5 | 17.6 | 32.0 | 35.2 |
| 1993/1994 | 50.8 | 21.0 | 42.5 | 31.5 |
| 1994/1995 | 51.5 | 21.7 | 47.8 | 33.4 |
| 1995/1996 | 56.9 | 30.1 | 42.8 | 39.1 |
| 1996/1997 | 44.0 | 19.5 | 36.2 | 37.2 |
| 1997/1998 | 41.9 | 16.3 | 39.9 | 32.5 |
| 1998/1999 | 41.8 | 20.3 | 30.9 | 29.4 |
| 1999/2000 | 47.1 | 20.5 | 39.8 | 36.7 |
| 2000/2001 | 46.2 | 19.6 | 39.2 | 36.1 |
| 2001/2002 | 49.6 | 20.0 | 54.1 | 36.8 |
| 2002/2003 | 52.2 | 17.7 | 69.1 | 37.9 |
| 2003/2004 | 50.6 | 18.8 | 75.3 | 36.1 |
| 2004/2005 | 48.6 | 15.4 | 62.1 | 35.1 |
| 2005/2006 | 47.6 | 19.2 | 73.5 | 30.6 |
| 2006/2007 | 50.9 | 20.2 | 60.3 | 34.9 |
| 2007/2008 | 61.5 | 18.7 | 71.1 | 43.3 |
| 2008/2009 | 40.1 | 15.4 | 103.6 | 43.1 |
| 2009/2010F | 41.4 | 16.5 | 80.8 | 40.2 |

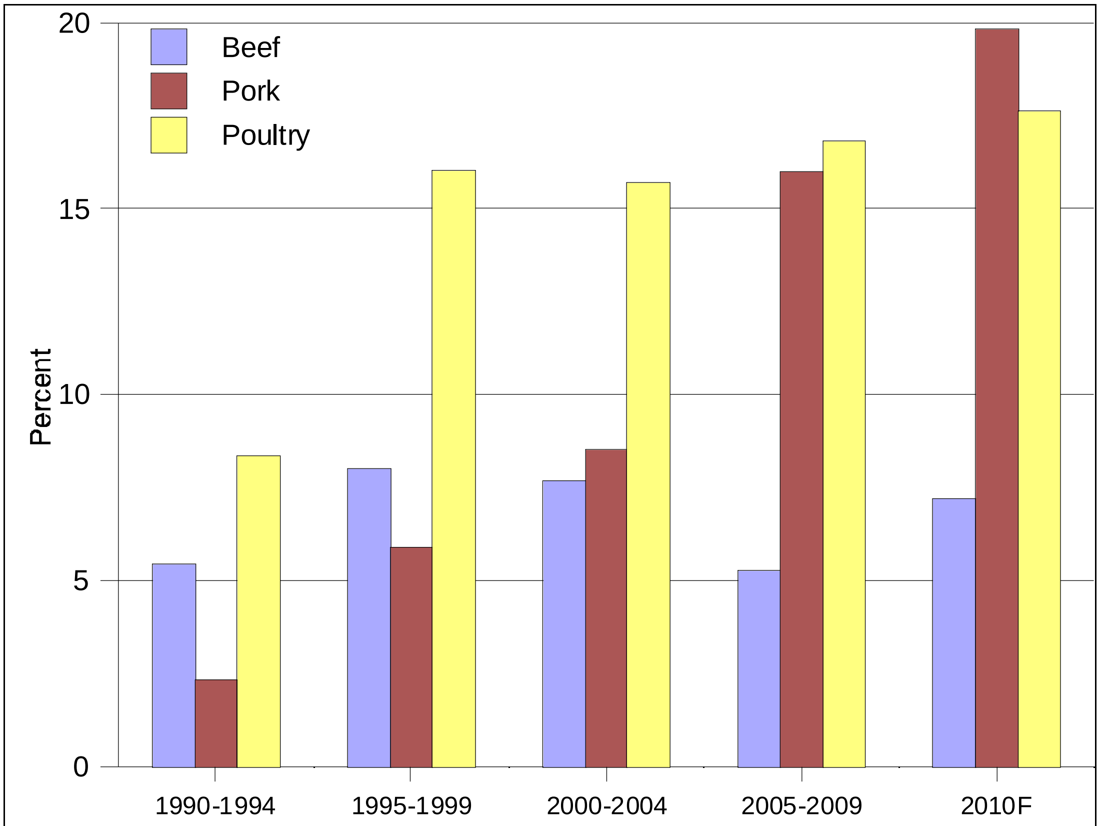
**Source:** Calculated by CRS using data from the U.S. Department of Agriculture's Foreign Agricultural Service Production, Supply and Distribution Online database, http://www.fas.usda.gov/psdonline/psdHome.aspx.

**Note:** F = Forecast.

# Shares of U.S. Livestock Production Exported: Selected Commodities

- U.S. livestock products are much less export-dependent than crops.
- Beef exports, which grew from around 4% of production in 1990 to almost 10% in 2003, have slowly recovered from export bans on U.S. beef following the 2003 discovery of a BSE-infected cow in the United States. The beef export share of production in 2010 is forecast to be 7.2%.
- Pork exports as a share of production have grown substantially, from less than 1.6% in 1990 to a forecast 19.8% in 2010.
- Poultry's export share of production has almost tripled since 1990, from 6.2% to a forecast 17.6% in 2010.

**Figure 3. U.S. Agricultural Exports: Shares of U.S. Production of Livestock Exported, 1990-2010F**




Source: U.S. Department of Agriculture. Economic Research Service.

**Table 3. U.S. Agricultural Exports: Shares of U.S. Production of Livestock Exported, 1990-2010F**

(percent)

| Year | Beef | Pork | Poultry |
|---|---|---|---|
| 1990 | 4.4 | 1.6 | 6.2 |
| 1991 | 5.1 | 1.8 | 6.4 |
| 1992 | 5.7 | 2.4 | 7.1 |
| 1993 | 5.5 | 2.6 | 8.9 |
| 1994 | 6.5 | 3.1 | 12.1 |
| 1995 | 7.1 | 4.4 | 15.7 |
| 1996 | 7.2 | 5.7 | 16.9 |
| 1997 | 8.3 | 6.0 | 16.3 |
| 1998 | 8.3 | 6.5 | 15.8 |
| 1999 | 9.0 | 6.6 | 15.6 |
| 2000 | 9.1 | 6.8 | 16.3 |
| 2001 | 8.6 | 8.0 | 18.0 |
| 2002 | 8.9 | 8.2 | 15.1 |
| 2003 | 9.5 | 8.6 | 15.2 |
| 2004 | 1.9 | 10.6 | 14.2 |
| 2005 | 2.8 | 12.9 | 14.9 |
| 2006 | 4.3 | 14.2 | 14.8 |
| 2007 | 5.4 | 14.3 | 16.5 |
| 2008 | 7.0 | 20.0 | 19.1 |
| 2009 | 6.6 | 18.1 | 18.8 |
| 2010F | 7.2 | 19.8 | 17.6 |

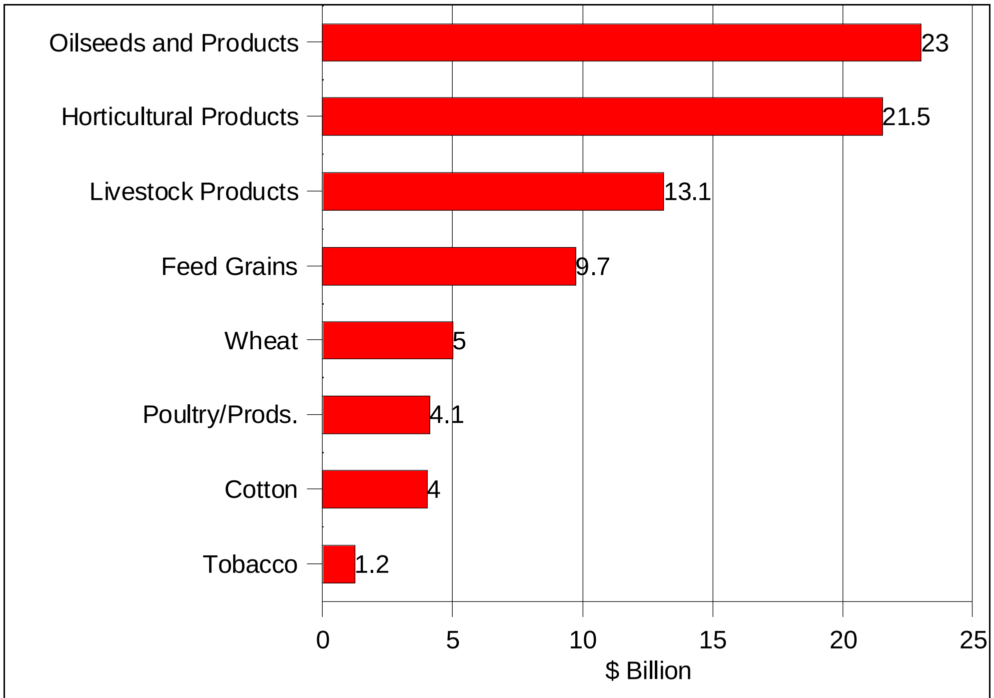
**Source:** Calculated by CRS using data from the U.S. Department of Agriculture's Foreign Agricultural Service Production, Supply and Distribution Online database, http://www.fas.usda.gov/psdonline/psdHome.aspx.

**Note:** F = Forecast.

# Composition of U.S. Agricultural Exports: Major Commodity Components

- The United States exports a wide range of agricultural products, including horticultural products, field crops, livestock products, and poultry.
- Oilseeds (mainly soybeans) and oilseed products (mainly meal and oil)—with a forecast value of $23 billion in FY2010—are the largest commodity component of U.S. agricultural exports.
- Horticultural product exports (fruits, vegetables, tree nuts, and their preparations)—forecast to be $21.5 billion in FY2010—comprise the second-largest commodity category of U.S. agricultural exports in FY2010.
- Livestock and poultry products together would amount to more than $17 billion in FY2010.
- Field crop exports (feed grains, wheat, cotton, and tobacco) are forecast to account for $20 billion of U.S. agricultural exports in FY2010.

**Figure 4. U.S. Agricultural Exports of Major Commodities, FY2010F**




Source: U.S. Department of Agriculture. Economic Research Service. F = Forecast

**Table 4. U.S. Agricultural Exports of Major Commodities, FY2010F**

($ billions)

| Commodity | FY2010F Exports |
|---|---|
| Oilseeds and Products | 23.0 |
| Horticultural Products | 21.5 |
| Livestock Products | 13.1 |
| Feed Grains | 9.7 |
| Wheat | 5.0 |
| Poultry/Prods. | 4.1 |
| Cotton | 4.0 |
| Tobacco | 1.2 |

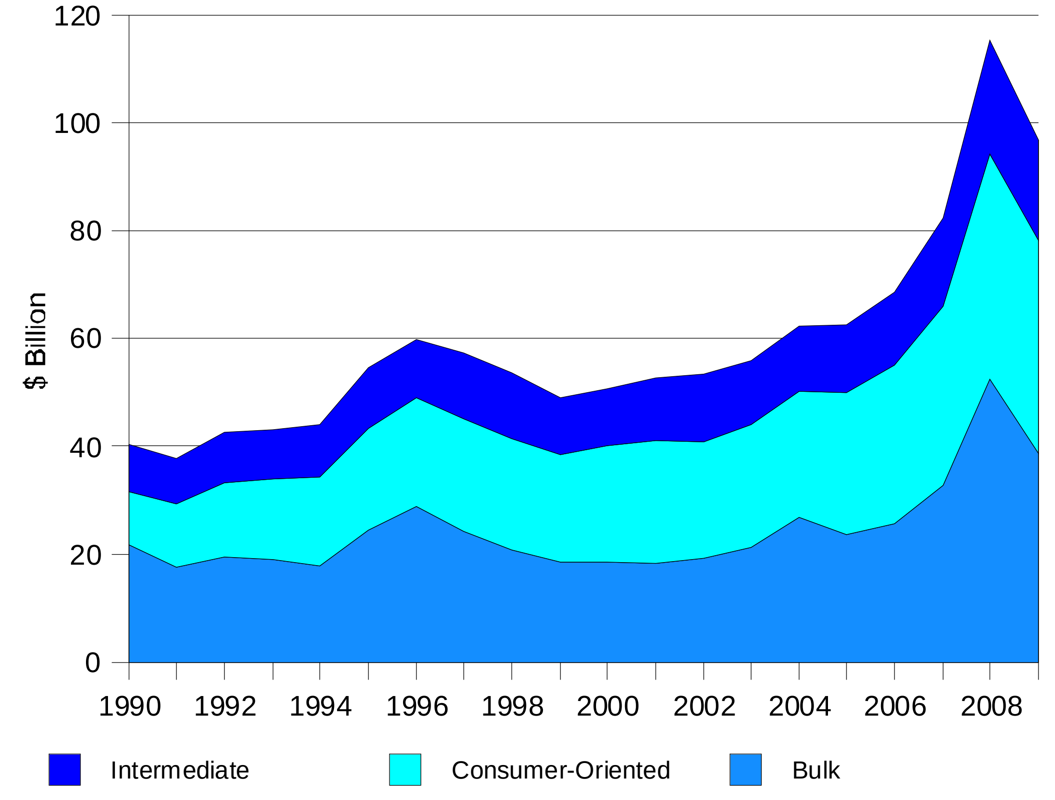
**Source:** U.S. Department of Agriculture. Economic Research Service, Outlook for U.S. Agricultural Trade AES-65, February 18, 2010, available at http://usda.mannlib.cornell.edu/usda/current/AES/AES-02-18-2010.pdf.

**Note:** F = Forecast.

# Composition of U.S. Agricultural Exports: Bulk, Consumer-Ready, and Intermediate Product Exports

- *Bulk agricultural exports* include products like wheat, coarse grains, cotton, and soybeans.
- *Intermediate products* have been processed to some extent and include products like wheat flour, soybean oil, and feeds.
- *Consumer-ready products* include both processed products such as breakfast cereals and products such as fresh fruits and vegetables.
- Until 1990, bulk agricultural exports were the mainstay of U.S. farm export trade. The total of high-value (intermediate and consumer-ready) products has exceeded the value of bulk agricultural exports in every fiscal year since FY1991.
- In FY2009, high-value exports accounted for 60% of total U.S. agricultural exports and bulk exports for 40%.

**Figure 5. U.S. Agricultural Exports, FY1990-FY2009: Bulk, Consumer-Oriented, and Intermediate Product Exports**




Source: U.S. Department of Agriculture. Foreign Agricultural Service.

**Table 5. U.S. Agricultural Exports, FY1990-FY2009: Total, Bulk, Consumer-Ready, and Intermediate Product Exports**

($ thousands)

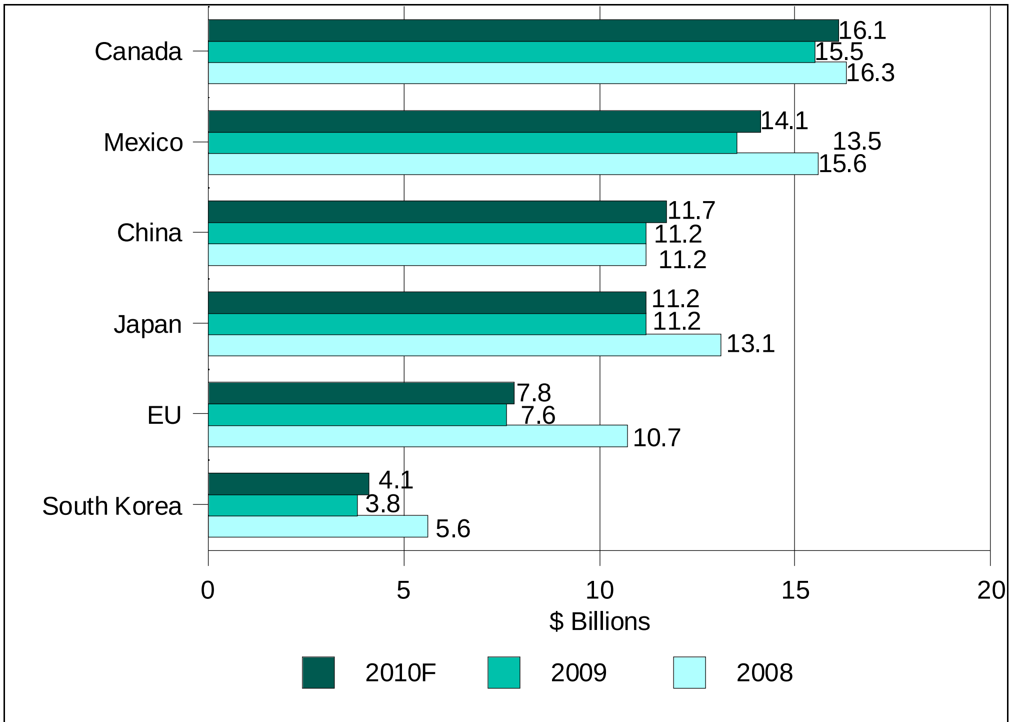
| Year | Total | Bulk | % of Total | Consumer-Oriented | % of Total | Intermediate | % of Total |
|---|---|---|---|---|---|---|---|
| 1990 | 40,347,960 | 21,793,461 | 54.0 | 9,891,735 | 24.5 | 8,662,764 | 21.5 |
| 1991 | 37,864,207 | 17,701,487 | 46.7 | 11,574,646 | 30.6 | 8,588,074 | 22.7 |
| 1992 | 42,554,780 | 19,523,240 | 45.9 | 13,689,029 | 32.2 | 9,342,511 | 22.0 |
| 1993 | 43,057,753 | 19,084,550 | 44.3 | 14,889,726 | 34.6 | 9,083,477 | 21.1 |
| 1994 | 43,893,020 | 17,940,578 | 40.9 | 16,460,463 | 37.5 | 9,491,979 | 21.6 |
| 1995 | 54,613,152 | 24,446,611 | 44.8 | 18,847,340 | 34.5 | 11,319,201 | 20.7 |
| 1996 | 59,785,653 | 28,781,235 | 48.1 | 20,167,462 | 33.7 | 10,836,956 | 18.1 |
| 1997 | 57,305,347 | 24,250,805 | 42.3 | 20,878,010 | 36.4 | 12,176,532 | 21.2 |
| 1998 | 53,661,663 | 20,925,957 | 39.0 | 20,641,538 | 38.5 | 12,094,168 | 22.5 |
| 1999 | 49,118,260 | 18,596,897 | 37.9 | 19,898,512 | 40.5 | 10,622,851 | 21.6 |
| 2000 | 50,761,767 | 18,580,955 | 36.6 | 21,481,221 | 42.3 | 10,699,591 | 21.1 |
| 2001 | 52,716,911 | 18,436,458 | 35.0 | 22,541,751 | 42.8 | 11,738,702 | 22.3 |
| 2002 | 53,319,318 | 19,122,275 | 35.9 | 21,708,519 | 40.7 | 12,488,524 | 23.4 |
| 2003 | 56,013,986 | 21,224,523 | 37.9 | 22,723,487 | 40.6 | 12,065,977 | 21.5 |
| 2004 | 62,408,831 | 26,903,911 | 43.1 | 23,361,967 | 37.4 | 12,142,954 | 19.5 |
| 2005 | 62,516,299 | 23,613,456 | 37.8 | 26,287,920 | 42.0 | 12,614,923 | 20.2 |
| 2006 | 68,592,956 | 25,619,902 | 37.4 | 29,363,783 | 42.8 | 13,609,271 | 19.8 |
| 2007 | 82,216,762 | 32,883,623 | 40.0 | 33,191,509 | 40.4 | 16,141,630 | 19.6 |
| 2008 | 115,305,439 | 52,375,640 | 45.4 | 41,781,771 | 36.2 | 21,148,029 | 18.3 |
| 2009 | 96,632,193 | 38,629,929 | 39.9 | 39,538,561 | 40.9 | 18,436,703 | 19.1 |

**Source:** Data in this table are compiled from U.S. Department of Agriculture, Foreign Agricultural Service databases, available at http://www.fas.usda.gov/gats/default.aspx.

# Major Country Markets for U.S. Agricultural Exports

- *Canada and Mexico*, both U.S. partners in the North American Free Trade Agreement (NAFTA), are the first- and second-largest markets for U.S. agricultural exports. Total U.S. agricultural exports to these two countries in FY2010 are forecast at $30.2 billion.
- *China* is the third-largest U.S. export market, with $11.7 billion expected in FY2010.
- *Japan* ($11.2 billion forecast for FY2010), which was the number one U.S. destination for agricultural products for many years, is forecast to be the fourth-largest export destination. It is followed by the *EU-27*, the fifth-largest U.S. farm export market, with forecast agricultural exports of $7.8 billion.
- Other Asian markets—*South Korea and Taiwan*—also are major markets for U.S. agricultural exports with forecast values in FY2010 of $4.1 billion and $3.0 billion, respectively.

**Figure 6. Major Country Markets for U.S. Exports, FY2008-FY2010F**




Source: U.S. Department of Agriculture. Economic Research Service. F = Forecast

**Table 6. Major Country Markets for U.S. Agricultural Exports, FY2008-FY2010F**

($ billion)

| Country | 2008 | 2009 | 2010F |
|---|---|---|---|
| Canada | 16.3 | 15.5 | 16.1 |
| Mexico | 15.6 | 13.5 | 14.1 |
| China | 11.2 | 11.2 | 11.7 |
| Japan | 13.1 | 11.2 | 11.2 |
| EU-27 | 10.7 | 7.6 | 7.8 |
| South Korea | 5.6 | 3.8 | 4.1 |
| Taiwan | 3.5 | 2.9 | 3.0 |
| Hong Kong | 1.6 | 1.8 | 1.9 |
| Russia | 1.9 | 1.4 | 1.5 |
| Turkey | 1.7 | 1.4 | 1.4 |

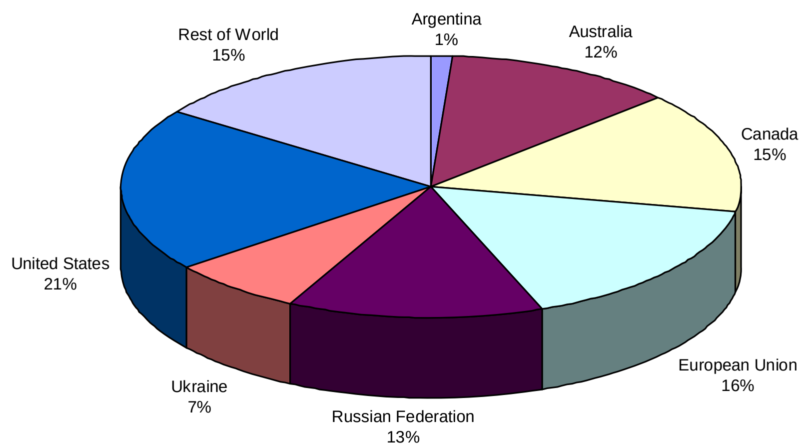
**Source:** U.S. Department of Agriculture. Economic Research Service, Outlook for U.S. Agricultural Trade, AES-65, February 18, 2010, available at http://usda.mannlib.cornell.edu/usda/current/AES/AES-02-18-2010.pdf.

**Note:** F = Forecast.

# World Export Market Shares: Crops

- **Wheat:** Although it has lost export market share over the last decade, the United States remains the major supplier of wheat and wheat products to the world market, with a forecast share of 21% in marketing year 2009/2010. The EU (16%), Canada (15%), and the Russian Federation (13%) are major competitors in this market (see **Figure 7** and **Table 7**).
- **Rice:** Thailand (34% forecast for 2009/2010) is the world's major rice exporter; but Vietnam (19%) has emerged as a major competitor. Pakistan's export market share in 2009/2010 is forecast to be 11%. The United States is the world's fourth-largest rice exporter with a forecast share in 2009/2010 of 10% (see **Figure 8** and **Table 8**).
- **Corn:** The United States dominates the world export market for corn with a 2009/2010 forecast export share of 64% (see **Figure 9** and **Table 9**).
- **Soybeans:** The United States is forecast to be the world's main supplier of soybeans to the world market in 2009/2010 with a share of 46%, down from 73% in 1995/1996. Over the same period, Brazil's share grew from 10.9% to 30%. (see **Figure 10** and **Table 10**).
- **Cotton:** U.S. cotton exports are estimated to be 33% of the world total in 2009/2010. U.S. competitors include India (19%), Uzbekistan (12%), and West/Central African countries (7%) (see **Figure 11** and **Table 11**).

**Figure 7. Shares of World Exports of Wheat and Wheat Products, 2009/2010F**




**Source:** U.S. Department of Agriculture, Foreign Agricultural Service.

**Notes:** F = Forecast.

**Table 7. Shares of World Exports of Wheat and Wheat Products, 1995/1996-2009/2010F**

(percent)

| Country | 1995/1996 | 1996/1997 | 1997/1998 | 1998/1999 | 1999/2000 | 2000/2001 | 2001/2002 |
|---|---|---|---|---|---|---|---|
| Argentina | 4.5 | 9.7 | 9.4 | 9.0 | 9.9 | 11.1 | 10.8 |
| Australia | 12.2 | 17.5 | 14.7 | 15.8 | 15.3 | 16.3 | 15.3 |
| Canada | 17.2 | 17.4 | 20.4 | 14.1 | 17.3 | 17.0 | 15.5 |
| European Union[a] | 13.3 | 17.1 | 13.6 | 14.3 | 18.2 | 15.3 | 11.8 |
| Russian Federation | 0.2 | 0.7 | 1.1 | 1.6 | 0.5 | 0.7 | 4.0 |
| Ukraine | 1.4 | 1.2 | 1.3 | 4.6 | 1.7 | 0.1 | 5.1 |
| United States | 34.1 | 26.2 | 27.1 | 28.4 | 26.3 | 27.4 | 24.3 |
| Rest of World | 17.2 | 10.1 | 12.4 | 12.1 | 10.8 | 12.1 | 13.2 |
| **Country** | **2002/2003** | **2003/2004** | **2004/2005** | **2005/2006** | **2006/2007** | **2007/2008** | **2008/2009E** |
| Argentina | 5.9 | 7.1 | 11.8 | 7.2 | 10.5 | 8.8 | 6.0 |
| Australia | 10.2 | 14.6 | 13.9 | 13.4 | 9.7 | 6.4 | 9.4 |
| Canada | 8.8 | 15.0 | 13.3 | 13.7 | 16.7 | 14.2 | 13.0 |
| European Union[a] | 16.9 | 9.5 | 13.0 | 13.8 | 12.0 | 10.5 | 17.8 |
| Russian Federation | 11.8 | 3.0 | 7.4 | 9.2 | 9.2 | 10.8 | 12.9 |
| Ukraine | 6.1 | 0.1 | 3.9 | 5.7 | 2.9 | 1.1 | 9.1 |
| United States | 21.3 | 31.1 | 25.1 | 23.9 | 21.7 | 29.5 | 19.1 |
| Rest of World | 19.0 | 19.7 | 11.7 | 13.0 | 17.4 | 18.7 | 12.5 |
| **Country** | **2009/2010F** | | | | | | |
| Argentina | 1.2 | | | | | | |
| Australia | 11.8 | | | | | | |
| Canada | 15.0 | | | | | | |
| European Union[a] | 16.2 | | | | | | |
| Russian Federation | 13.4 | | | | | | |
| Ukraine | 6.9 | | | | | | |
| United States | 20.3 | | | | | | |
| Rest of World | 15.3 | | | | | | |

**Source:** U.S. Department of Agriculture, Foreign Agricultural Service Production, Supply and Distribution Online database, http://www.fas.usda.gov/psdonline/psdHome.aspx.

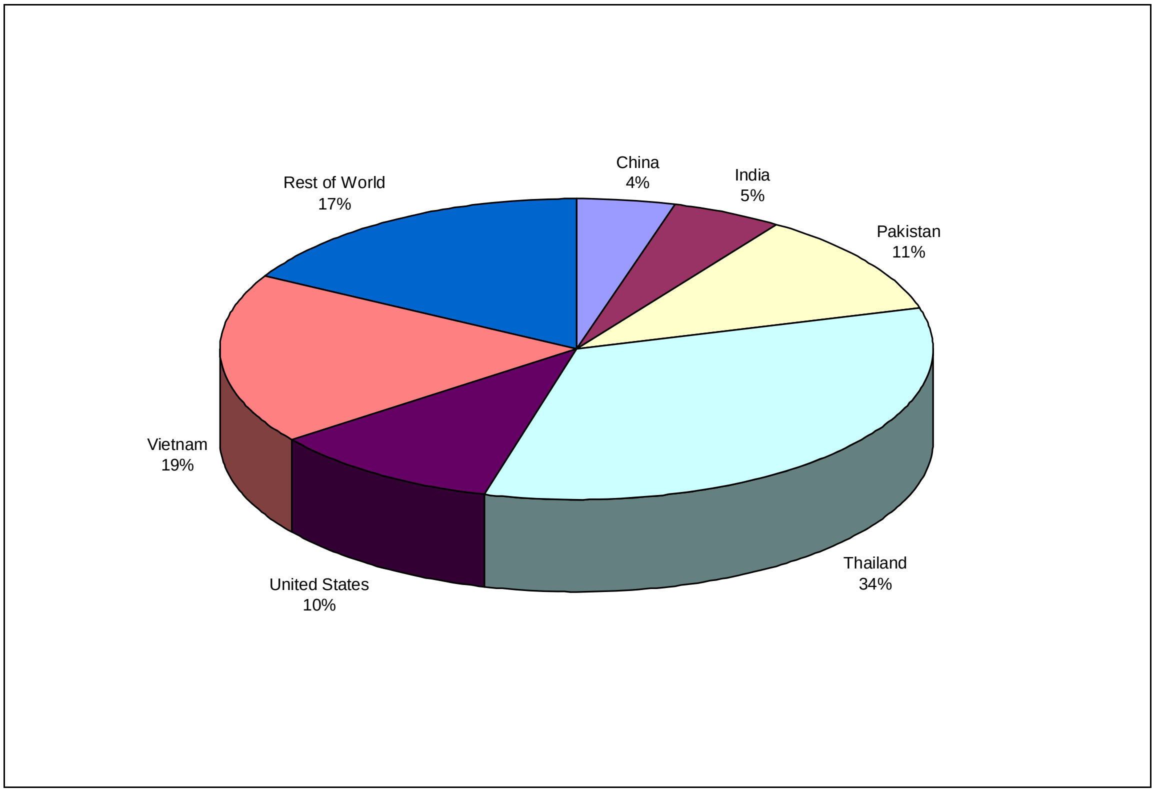
**Notes:** July-June marketing year.

E = Estimate.

F = Forecast.

a. 1995/1996-1998/1999 data are EU-15 and 1990/2000 to present are EU-27.

**Figure 8. Shares of World Exports of Rice, 2009/2010F**




**Source:** U.S. Department of Agriculture, Foreign Agricultural Service.

**Note:** F = Forecast.

**Table 8. Shares of World Exports of Rice, 1994/1995-2009/2010F**
(percent)

| Country | 1994/1995 | 1995/1996 | 1996/1997 | 1997/1998 | 1998/1999 | 1999/2000 | 2000/2001 |
|---|---|---|---|---|---|---|---|
| China | 0.2 | 1.3 | 5.0 | 13.5 | 10.9 | 13.0 | 7.6 |
| India | 20.0 | 18.6 | 11.1 | 16.9 | 11.1 | 6.4 | 7.9 |
| Pakistan | 8.5 | 8.5 | 9.4 | 7.2 | 7.4 | 8.9 | 9.9 |
| Thailand | 28.6 | 26.8 | 27.7 | 23.0 | 26.9 | 28.8 | 30.8 |
| United States | 14.6 | 13.3 | 12.2 | 11.5 | 10.7 | 12.5 | 10.4 |
| Vietnam | 11.1 | 15.4 | 17.6 | 13.7 | 18.4 | 14.8 | 14.4 |
| Rest of World | 17.1 | 16.1 | 17.0 | 14.2 | 14.7 | 15.7 | 19.1 |
| **Country** | **2001/2002** | **2002/2003** | **2003/2004** | **2004/2005** | **2005/2006** | **2006/2007** | **2007/2008** |
| China | 7.0 | 9.4 | 3.2 | 2.3 | 4.2 | 4.2 | 3.3 |
| India | 23.9 | 16.0 | 11.6 | 16.2 | 15.6 | 19.8 | 11.4 |
| Pakistan | 5.8 | 7.1 | 7.3 | 10.5 | 12.3 | 8.5 | 10.1 |
| Thailand | 26.0 | 27.4 | 37.2 | 25.1 | 25.3 | 30.0 | 33.8 |
| United States | 11.8 | 13.9 | 11.3 | 13.4 | 11.4 | 9.5 | 11.1 |
| Vietnam | 11.6 | 13.8 | 15.8 | 17.9 | 16.2 | 14.2 | 15.7 |
| Rest of World | 13.9 | 12.5 | 13.5 | 14.7 | 15.1 | 13.8 | 14.6 |

| Country | 2008/2009E | 2009/2010F |
|---|---|---|
| China | 2.8 | 4.4 |
| India | 7.1 | 5.1 |
| Pakistan | 10.6 | 11.1 |
| Thailand | 30.1 | 33.7 |
| United States | 11.0 | 10.3 |
| Vietnam | 20.2 | 18.5 |
| Rest of World | 18.1 | 16.9 |

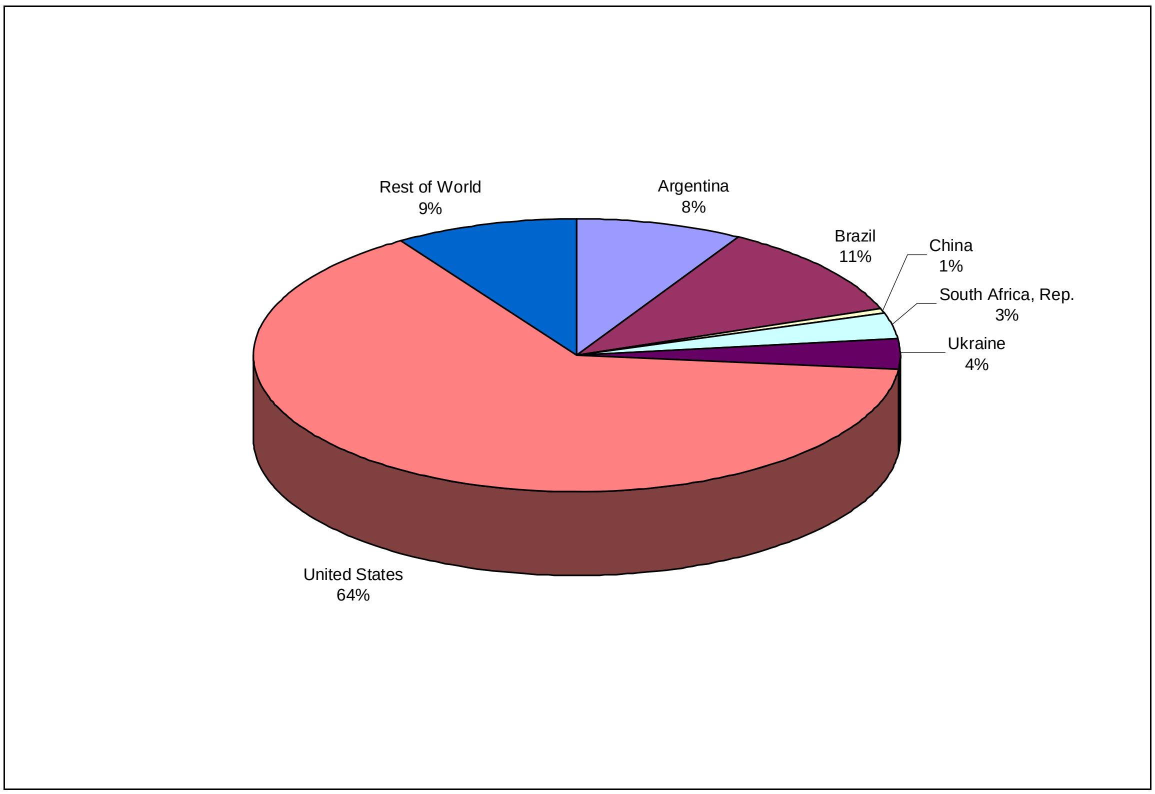
**Source:** U.S. Department of Agriculture, Foreign Agricultural Service Production, Supply and Distribution Online database, http://www.fas.usda.gov/psdonline/psdHome.aspx.

**Notes:** July-June marketing year.

E = Estimate.

F = Forecast.

**Figure 9. Shares of World Exports of Corn, 2009/2010F**




**Source:** U.S. Department of Agriculture, Foreign Agricultural Service.

**Note:** F = Forecast.

**Table 9. Shares of World Exports of Corn, 1995/1996-2009/2010F**

(percent)

| Country | 1995/1996 | 1996/1997 | 1997/1998 | 1998/1999 | 1999/2000 | 2000/2001 | 2001/2002 |
|---|---|---|---|---|---|---|---|
| Argentina | 10.7 | 15.3 | 20.2 | 11.4 | 12.3 | 16.1 | 11.8 |
| Brazil | 0.3 | 0.7 | 0.0 | 0.0 | 0.1 | 4.9 | 5.3 |
| China | 0.2 | 5.8 | 9.8 | 4.9 | 13.7 | 9.6 | 11.8 |
| South Africa, Rep. | 2.7 | 2.4 | 1.7 | 1.2 | 1.2 | 1.9 | 1.6 |
| Ukraine | 0.1 | 0.0 | 0.9 | 0.5 | 0.1 | 0.5 | 0.5 |
| United States | 81.4 | 70.0 | 59.9 | 75.7 | 68.4 | 63.7 | 64.9 |
| Rest of World | 4.5 | 5.7 | 7.5 | 6.3 | 4.3 | 3.3 | 4.1 |
| **Country** | **2002/2003** | **2003/2004** | **2004/2005** | **2005/2006** | **2006/2007** | **2007/2008** | **2008/2009E** |
| Argentina | 16.1 | 13.2 | 18.1 | 13.0 | 17.2 | 16.0 | 10.5 |
| Brazil | 4.1 | 7.4 | 1.9 | 3.4 | 8.8 | 8.0 | 8.9 |
| China | 19.8 | 9.6 | 10.0 | 4.5 | 5.8 | 0.6 | 0.3 |
| South Africa, Rep. | 1.5 | 1.0 | 2.0 | 1.7 | 0.5 | 1.1 | 3.1 |
| Ukraine | 1.1 | 1.6 | 3.1 | 3.0 | 1.1 | 2.1 | 6.8 |
| United States | 53.2 | 61.7 | 59.7 | 67.9 | 59.3 | 61.8 | 58.9 |
| Rest of World | 4.2 | 5.6 | 5.3 | 6.5 | 7.3 | 10.4 | 11.4 |
| **Country** | **2009/2010F** | | | | | | |
| Argentina | 8.3 | | | | | | |
| Brazil | 11.2 | | | | | | |
| China | 0.6 | | | | | | |
| South Africa, Rep. | 2.9 | | | | | | |
| Ukraine | 3.5 | | | | | | |
| United States | 64.3 | | | | | | |
| Rest of World | 9.2 | | | | | | |

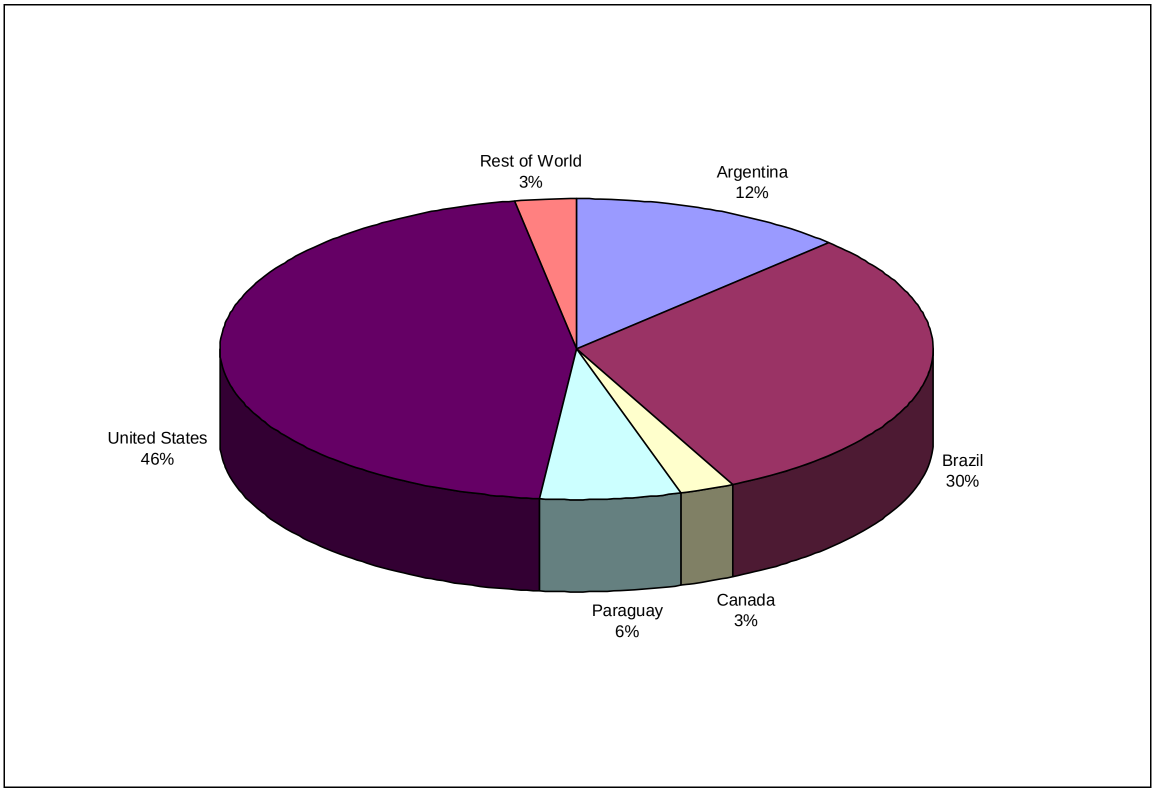
**Source:** U.S. Department of Agriculture, Foreign Agricultural Service Production, Supply and Distribution Online database, http://www.fas.usda.gov/psdonline/psdHome.aspx.

**Notes:** October-September marketing year.

E = Estimate.

F = Forecast.

**Figure 10. Shares of World Exports of Soybeans, 2009/2010F**




**Source:** U.S. Department of Agriculture, Foreign Agricultural Service.

**Note:** F = Forecast.

**Table 10. Shares of World Exports of Soybeans, 1995/1996-2009/2010F**

(percent)

| Country | 1995/1996 | 1996/1997 | 1997/1998 | 1998/1999 | 1999/2000 | 2000/2001 | 2001/2002 |
|---|---|---|---|---|---|---|---|
| Argentina | 6.6 | 2.1 | 7.2 | 8.1 | 9.0 | 13.6 | 11.3 |
| Brazil | 10.9 | 22.9 | 22.3 | 23.5 | 24.3 | 28.8 | 27.4 |
| Canada | 1.9 | 1.3 | 2.0 | 2.3 | 2.1 | 1.4 | 0.9 |
| Paraguay | 5.0 | 5.8 | 5.8 | 6.1 | 4.4 | 4.7 | 4.3 |
| United States | 73.0 | 65.6 | 60.5 | 57.7 | 58.2 | 50.4 | 54.7 |
| Rest of World | 2.5 | 2.3 | 2.2 | 2.3 | 1.9 | 1.2 | 1.3 |
| **Country** | **2002/2003** | **2003/2004** | **2004/2005** | **2005/2006** | **2006/2007** | **2007/2008** | **2008/2009E** |
| Argentina | 14.1 | 12.0 | 14.8 | 11.4 | 13.4 | 17.4 | 7.7 |
| Brazil | 32.2 | 36.4 | 31.1 | 40.6 | 32.9 | 31.9 | 39.0 |
| Canada | 1.2 | 1.6 | 1.7 | 2.1 | 2.4 | 2.2 | 2.6 |
| Paraguay | 4.6 | 4.7 | 4.5 | 3.7 | 6.1 | 6.8 | 3.1 |
| United States | 46.6 | 43.1 | 46.1 | 40.1 | 42.6 | 39.7 | 45.3 |
| Rest of World | 1.3 | 2.1 | 1.8 | 2.1 | 2.6 | 2.0 | 2.4 |

| Country | 2009/2010F |
|---|---|
| Argentina | 12.5 |
| Brazil | 30.4 |
| Canada | 2.6 |
| Paraguay | 6.3 |
| United States | 45.6 |
| Rest of World | 2.7 |

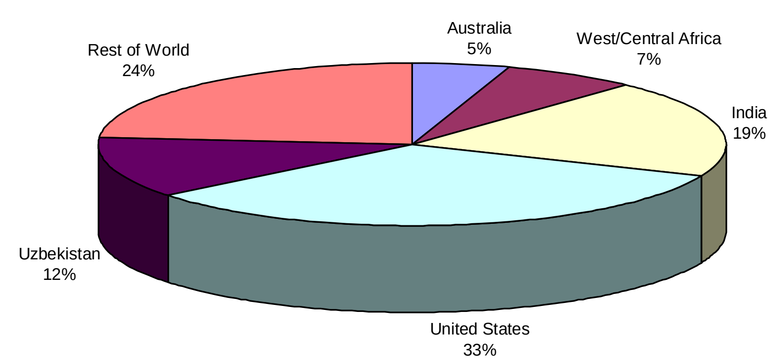
**Source:** U.S. Department of Agriculture, Foreign Agricultural Service Production, Supply and Distribution Online database, http://www.fas.usda.gov/psdonline/psdHome.aspx.

**Notes:** Marketing year.

E = Estimate

F = Forecast

**Figure 11. Shares of World Exports of Cotton, 2009/2010F**




**Source:** U.S. Department of Agriculture, Foreign Agricultural Service.

**Notes:** West/Central Africa includes Benin, Burkina Faso, Cameroon, Central African Republic, Chad, Cote d'Ivoire, Mali, Niger, Senegal, and Togo.

F = Forecast.

**Table 11. Shares of World Exports of Cotton, 1995/1996-2009/2010F**

(percent)

| Country | 1995/1996 | 1996/1997 | 1997/1998 | 1998/1999 | 1999/2000 | 2000/2001 | 2001/2002 |
|---|---|---|---|---|---|---|---|
| Australia | 5.3 | 8.9 | 10.1 | 12.9 | 11.8 | 14.9 | 10.7 |
| West/Central Africa[a] | 10.2 | 12.3 | 13.5 | 15.3 | 13.8 | 12.4 | 12.2 |
| India | 2.1 | 4.4 | 1.2 | 0.8 | 0.3 | 0.4 | 0.2 |
| United States | 28.1 | 25.6 | 28.1 | 18.3 | 24.8 | 25.7 | 37.7 |
| Uzbekistan | 16.5 | 17.0 | 17.1 | 16.2 | 15.5 | 13.2 | 12.0 |
| Rest of World | 37.8 | 31.8 | 30.0 | 36.5 | 33.9 | 33.4 | 27.1 |
| **Country** | **2002/2003** | **2003/2004** | **2004/2005** | **2005/2006** | **2006/2007** | **2007/2008** | **2008/2009E** |
| Australia | 8.7 | 6.5 | 5.7 | 6.5 | 5.7 | 3.2 | 4.1 |
| West/Central Africa[a] | 12.4 | 13.4 | 11.8 | 10.0 | 10.3 | 6.7 | 7.3 |
| India | 0.2 | 2.1 | 1.9 | 7.7 | 12.3 | 18.3 | 7.8 |
| United States | 39.1 | 41.4 | 41.2 | 39.4 | 35.1 | 35.6 | 44.8 |
| Uzbekistan | 11.2 | 9.3 | 11.3 | 10.8 | 12.2 | 11.0 | 8.8 |
| Rest of World | 28.4 | 27.3 | 28.1 | 25.7 | 24.4 | 25.2 | 27.2 |
| **Country** | **2009/2010F** | | | | | | |
| Australia | 5.0 | | | | | | |
| West/Central Africa[a] | 6.9 | | | | | | |
| India | 19.4 | | | | | | |
| United States | 32.9 | | | | | | |
| Uzbekistan | 12.2 | | | | | | |
| Rest of World | 23.6 | | | | | | |

**Source:** U.S. Department of Agriculture, Foreign Agricultural Service Production, Supply and Distribution Online database, http://www.fas.usda.gov/psdonline/psdHome.aspx.

**Notes:** Marketing year.

E = Estimate.

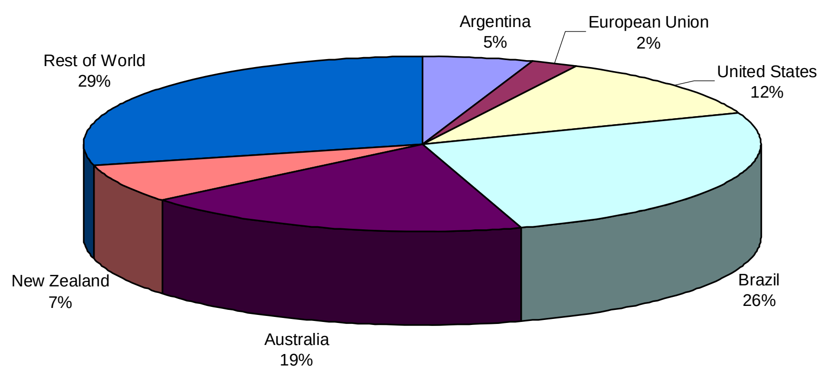
F = Forecast.

a. Includes Benin, Burkina Faso, Cameroon, Central African Republic, Chad, Cote d'Ivoire, Mali, Niger, Senegal, and Togo.

# World Market Shares: Livestock and Dairy

- **Beef:** Brazil, with 26% (forecast) of world exports in 2010, has emerged as the world's largest supplier of beef to world markets. The U.S. share of world beef exports is forecast to be 12% in 2010. Lingering effects of mad cow disease continue to affect demand for U.S. beef in world markets; the U.S. share of world beef exports had reached 19% in 2000. (See **Figure 12** and **Table 12**).
- **Pork:** Taiwan (36%) and the EU (21%) are forecast to be the world's largest exporters of pork in 2010 (**Figure 13** and **Table 13**).
- **Poultry:** Brazil is the world's leading supplier of poultry meat on the world market (40% forecast for 2010). The United States, with 34% of world poultry meat exports, and the EU (9%) have lost market share to Brazil in recent years (**Figure 14** and **Table 14**).
- **Dairy Products:** For 2009, New Zealand (29%) and the United States (18%) are forecast to be the leading suppliers of nonfat dry milk to world markets. The EU (40%) dominates the world market for cheese, while New Zealand (58%) is the world's largest exporter of butter.

**Figure 12. Shares of World Exports of Beef and Veal, 2010F**




**Source:** U.S. Department of Agriculture, Foreign Agricultural Service.

**Note:** F = Forecast.

**Table 12. Shares of World Exports of Beef and Veal, 1995-2010F**

(percent)

| Country | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 |
|---|---|---|---|---|---|---|---|
| Argentina | 9.8 | 9.5 | 7.8 | 5.5 | 6.0 | 6.0 | 2.9 |
| European Union[a] | 22.0 | 21.1 | 18.8 | 14.2 | 17.3 | 11.2 | 10.4 |
| United States | 15.1 | 16.3 | 16.7 | 18.0 | 18.6 | 18.9 | 17.6 |
| Brazil | 4.2 | 4.3 | 4.0 | 5.5 | 7.8 | 8.2 | 12.7 |
| Australia | 20.3 | 19.7 | 20.1 | 22.7 | 21.3 | 22.2 | 23.5 |
| New Zealand | 9.1 | 9.6 | 8.6 | 8.7 | 7.4 | 8.0 | 8.3 |
| Rest of World | 19.5 | 19.5 | 24.0 | 25.3 | 21.5 | 25.5 | 24.7 |
| **Country** | **2002** | **2003** | **2004** | **2005** | **2006** | **2007** | **2008** |
| Argentina | 5.4 | 5.9 | 9.3 | 10.3 | 7.4 | 7.1 | 5.6 |
| European Union[a] | 9.0 | 6.7 | 5.5 | 3.5 | 2.9 | 1.8 | 2.7 |
| United States | 17.3 | 17.6 | 3.1 | 4.3 | 6.9 | 8.6 | 11.4 |
| Brazil | 13.6 | 17.9 | 24.2 | 25.2 | 27.8 | 28.9 | 24.0 |
| Australia | 20.9 | 19.1 | 20.6 | 19.0 | 19.1 | 18.5 | 18.8 |
| New Zealand | 7.4 | 8.4 | 8.9 | 7.9 | 7.1 | 6.6 | 7.1 |
| Rest of World | 26.6 | 24.4 | 28.5 | 29.8 | 28.9 | 28.6 | 30.3 |
| **Country** | **2009P** | **2010F** | | | | | |
| Argentina | 7.9 | 5.4 | | | | | |
| European Union[a] | 2.3 | 2.2 | | | | | |
| United States | 11.0 | 11.6 | | | | | |
| Brazil | 21.9 | 26.0 | | | | | |
| Australia | 19.5 | 18.7 | | | | | |
| New Zealand | 7.4 | 7.2 | | | | | |
| Rest of World | 30.0 | 28.9 | | | | | |

**Source:** U.S. Department of Agriculture, Foreign Agricultural Service Production, Supply and Distribution Online database, http://www.fas.usda.gov/psdonline/psdHome.aspx.

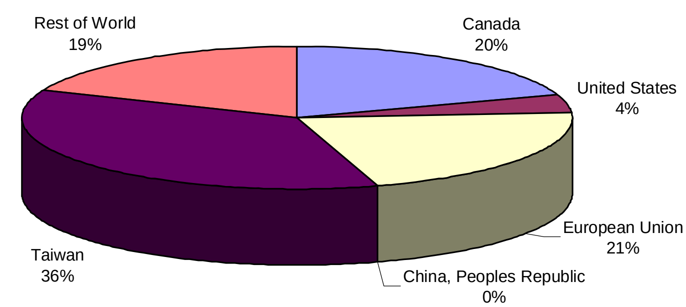
**Notes:**

P = Preliminary.

F = Forecast.

a. 1995-1998 data are EU-15 and 1999 to present are EU-27.

**Figure 13. Shares of World Pork Exports, 2010F**




**Source:** U.S. Department of Agriculture, Foreign Agricultural Service.

**Note:** F = Forecast.

**Table 13. Shares of World Pork Exports, 1994-2010F**

(percent)

| Country | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 |
|---|---|---|---|---|---|---|---|
| Canada | 15.5 | 13.6 | 14.4 | 14.7 | 17.0 | 21.4 | 22.7 |
| United States | 4.4 | 4.8 | 6.9 | 6.9 | 4.4 | 4.7 | 7.0 |
| European Union[a] | 32.6 | 30.5 | 32.6 | 35.1 | 49.0 | 43.3 | 30.2 |
| China | 16.1 | 13.7 | 2.2 | 0.1 | 0.0 | 0.0 | 0.1 |
| Taiwan | 15.1 | 15.6 | 16.2 | 19.0 | 17.9 | 18.9 | 21.8 |
| Rest of World | 16.3 | 21.8 | 27.6 | 24.3 | 29.6 | 30.6 | 40.0 |
| **Country** | **2002** | **2003** | **2004** | **2005** | **2006** | **2007** | **2008** |
| Canada | 23.1 | 23.3 | 20.6 | 21.7 | 20.7 | 20.0 | 18.4 |
| United States | 8.2 | 9.5 | 11.4 | 10.0 | 10.4 | 6.8 | 3.6 |
| European Union[a] | 26.6 | 27.3 | 27.6 | 22.8 | 24.6 | 24.9 | 28.1 |
| China | 0.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Taiwan | 19.6 | 18.7 | 21.0 | 24.2 | 26.0 | 27.6 | 34.4 |
| Rest of World | 42.0 | 21.1 | 19.4 | 21.3 | 18.3 | 20.7 | 15.4 |

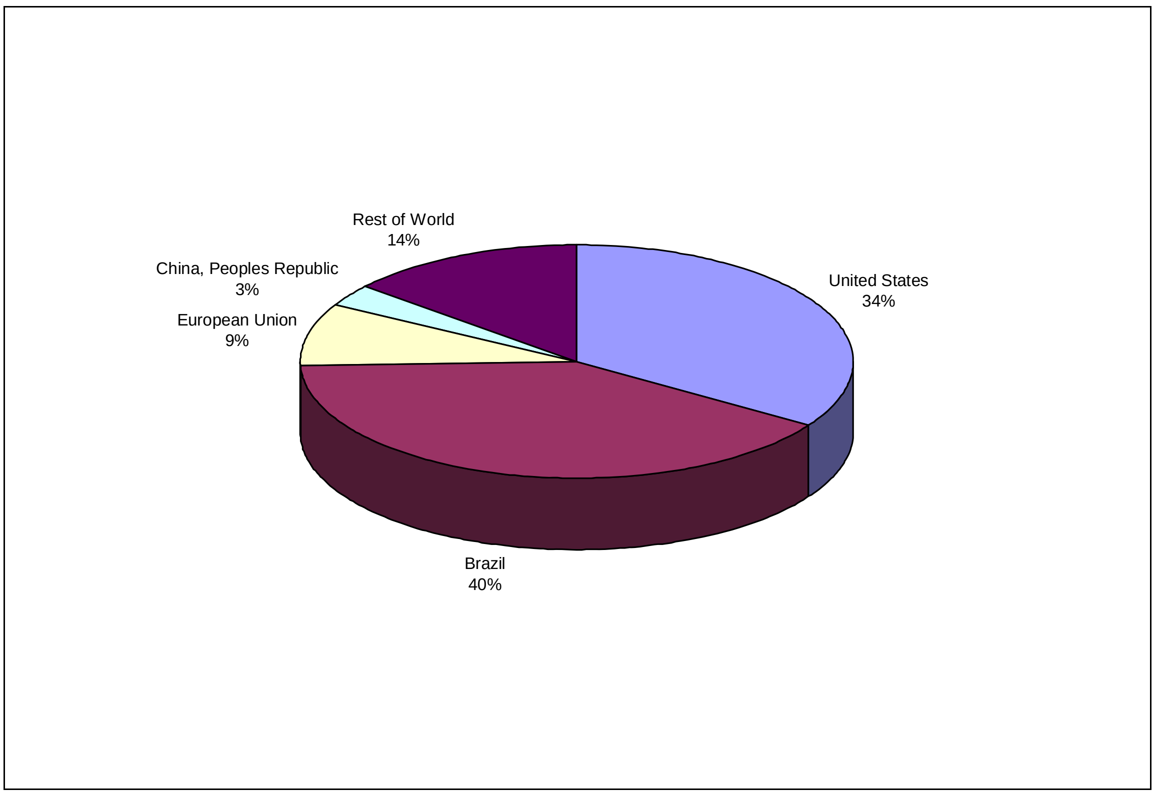
| Country | 2009P | 2010F |
|---|---|---|
| Canada | 20.7 | 19.6 |
| United States | 4.2 | 4.3 |
| European Union[a] | 22.9 | 21.4 |
| China | 0.0 | 0.0 |
| Taiwan | 34.5 | 36.0 |
| Rest of World | 17.7 | 18.7 |

**Source:** U.S. Department of Agriculture, Foreign Agricultural Service Production, Supply and Distribution Online database, http://www.fas.usda.gov/psdonline/psdHome.aspx.

**Notes:** F = Forecast.

a. 1995-1998 data are EU-15 and 1999 to present are EU-27.

**Figure 14. Shares of World Poultry Meat Exports, 2010F**




**Source:** U.S. Department of Agriculture, Foreign Agricultural Service.

**Note:** F = Forecast.

**Table 14. Shares of World Total Poultry Meat Exports, 1994-2010F**

(percent)

| Country | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 |
|---|---|---|---|---|---|---|---|
| United States | 41.3 | 41.9 | 48.8 | 46.8 | 47.3 | 46.8 | 46.0 |
| Brazil | 10.0 | 11.7 | 15.1 | 13.8 | 16.7 | 18.3 | 22.4 |
| European Union[a] | NA | NA | 17.8 | 19.0 | 17.7 | 15.2 | 11.8 |
| China | 6.2 | 6.6 | 8.1 | 7.6 | 8.5 | 9.7 | 8.9 |
| Rest of World | 42.5 | 39.8 | 10.2 | 12.8 | 9.7 | 10.0 | 10.9 |
| **Country** | **2002** | **2003** | **2004** | **2005** | **2006** | **2007** | **2008** |
| United States | 38.7 | 37.1 | 35.8 | 34.5 | 36.0 | 36.3 | 37.5 |
| Brazil | 28.0 | 31.7 | 39.9 | 40.1 | 38.2 | 39.6 | 38.5 |
| European Union[a] | 13.6 | 12.0 | 12.0 | 10.2 | 10.5 | 8.6 | 8.8 |
| China | 7.8 | 6.5 | 4.0 | 4.9 | 4.9 | 4.8 | 3.4 |
| Rest of World | 12.0 | 12.7 | 8.3 | 10.3 | 10.4 | 10.7 | 11.8 |
| **Country** | **2009F** | **2010P** | | | | | |
| United States | 36.6 | 34.3 | | | | | |
| Brazil | 38.5 | 40.1 | | | | | |
| European Union[a] | 8.8 | 8.6 | | | | | |
| China | 3.1 | 3.0 | | | | | |
| Rest of World | 13.0 | 13.9 | | | | | |

**Source:** U.S. Department of Agriculture, Foreign Agricultural Service Production, Supply and Distribution Online database, http://www.fas.usda.gov/psdonline/psdHome.aspx.

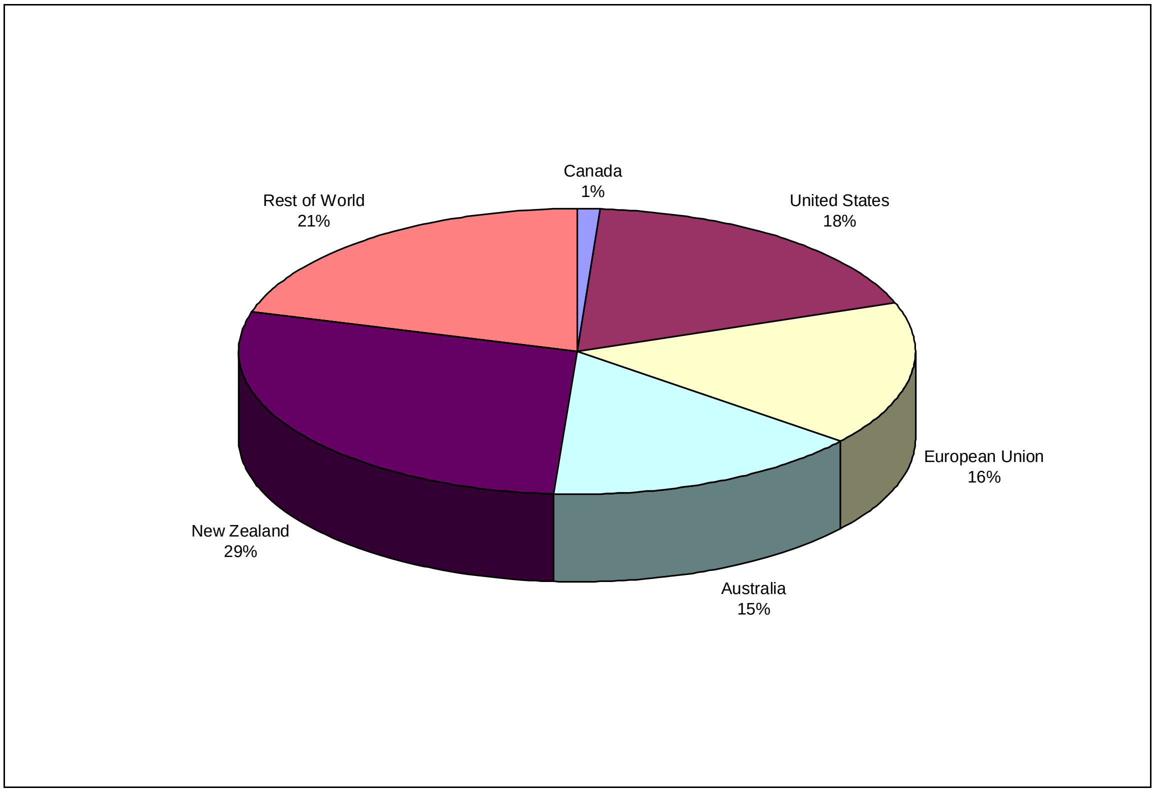
**Notes:** NA = Not Available.

P = Preliminary.

F = Forecast.

a. 1997-1998 data are EU-15 and 1999 to present are EU-27.

**Figure 15. Shares of World Nonfat Dry Milk Exports, 2009F**




**Source:** U.S. Department of Agriculture, Foreign Agricultural Service.

**Note:** F = Forecast.

**Table 15. Shares of World Nonfat Dry Milk Exports, 1995-2009F**

(percent)

| Country | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 |
|---|---|---|---|---|---|---|---|
| Canada | 2.5 | 2.5 | 2.9 | 3.8 | 2.7 | 1.9 | 3.7 |
| United States | 9.5 | 2.4 | 11.3 | 11.5 | 14.4 | 8.5 | 7.7 |
| European Union[a] | NA | NA | 27.3 | 19.4 | 24.4 | 27.1 | 22.3 |
| Australia | 10.9 | 12.8 | 19.8 | 22.1 | 15.9 | 15.2 | 17.5 |
| New Zealand | 9.7 | 11.5 | 20.7 | 21.8 | 13.6 | 10.5 | 15.6 |
| Rest of World | 67.4 | 70.8 | 18.0 | 21.4 | 29.1 | 36.7 | 33.3 |
| **Country** | **2002** | **2003** | **2004** | **2005** | **2006** | **2007** | **2008** |
| Canada | 3.7 | 2.4 | 1.1 | 0.5 | 1.2 | 1.1 | 1.4 |
| United States | 9.6 | 9.3 | 15.9 | 23.0 | 26.1 | 20.6 | 35.4 |
| European Union[a] | 19.9 | 22.2 | 19.1 | 15.8 | 8.0 | 16.3 | 16.2 |
| Australia | 17.6 | 12.7 | 12.9 | 11.7 | 17.2 | 14.1 | 10.8 |
| New Zealand | 18.9 | 20.7 | 21.0 | 18.4 | 22.1 | 26.4 | 22.7 |
| Rest of World | 30.3 | 32.8 | 30.0 | 30.5 | 25.5 | 21.3 | 13.6 |

| Country | 2009F |
|---|---|
| Canada | 1.2 |
| United States | 18.2 |
| European Union[a] | 16.4 |
| Australia | 15.5 |
| New Zealand | 28.2 |
| Rest of World | 20.6 |

**Source:** U.S. Department of Agriculture, Foreign Agricultural Service Production, Supply and Distribution Online database, http://www.fas.usda.gov/psdonline/psdHome.aspx.

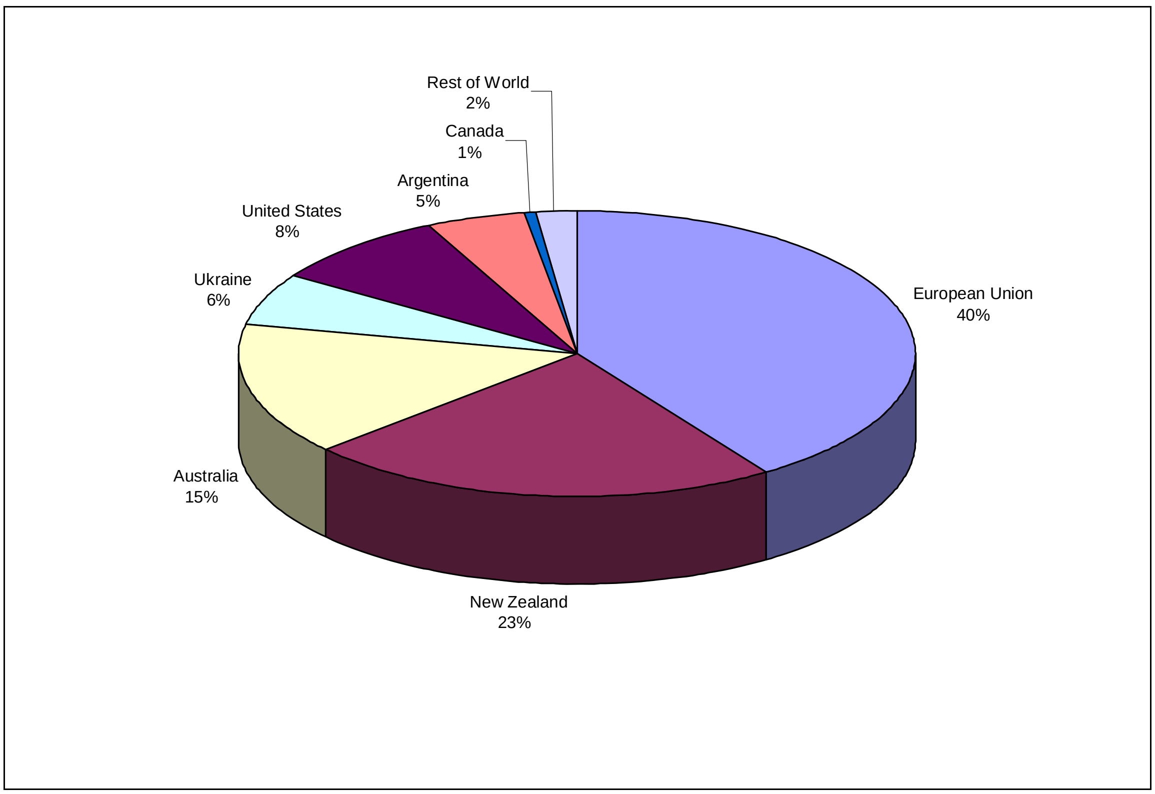
**Notes:** NA = Not Available.

P = Preliminary.

F = Forecast.

a. 1997-1998 data are EU-15 and 1999 to present are EU-27.

**Figure 16. Shares of World Cheese Exports, 2009F**




**Source:** U.S. Department of Agriculture, Foreign Agricultural Service.

**Note:** F = Forecast.

**Table 16. Shares of World Cheese Exports, 1994-2009F**

(percent)

| Country | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 |
|---|---|---|---|---|---|---|---|---|
| European Union[a] | NA | NA | NA | 51.0 | 46.2 | 45.2 | 31.1 | 30.8 |
| New Zealand[b] | 5.9 | 6.9 | 6.7 | 25.0 | 25.6 | 26.1 | 16.3 | 16.0 |
| Australia[c] | 4.1 | 4.5 | 4.3 | 13.3 | 16.6 | 18.7 | 14.4 | 13.9 |
| Ukraine | 0.2 | 0.2 | 0.1 | 0.2 | 0.4 | 0.7 | 0.8 | 2.0 |
| United States | 1.1 | 1.1 | 1.2 | 4.0 | 4.1 | 4.1 | 3.0 | 3.4 |
| Argentina | 0.6 | 0.5 | 0.4 | 2.0 | 1.9 | 2.2 | 1.4 | 1.1 |
| Canada | 0.3 | 0.6 | 0.6 | 2.4 | 3.0 | 2.7 | 1.2 | 1.2 |
| Rest of World | 87.8 | 86.2 | 86.6 | 2.0 | 2.2 | 0.3 | 31.8 | 31.5 |
| **Country** | **2002** | **2003** | **2004** | **2005** | **2006** | **2007** | **2008** | **2009F** |
| European Union[a] | 30.3 | 31.3 | 29.7 | 28.7 | 31.7 | 28.8 | 39.2 | 40.6 |
| New Zealand[b] | 16.7 | 16.9 | 16.4 | 15.2 | 15.1 | 16.7 | 22.6 | 22.8 |
| Australia[c] | 13.1 | 12.0 | 12.0 | 13.1 | 11.4 | 11.4 | 16.2 | 15.0 |
| Ukraine | 2.2 | 3.5 | 5.3 | 6.7 | 2.8 | 3.3 | 6.2 | 5.9 |
| United States | 3.3 | 3.0 | 3.5 | 3.3 | 4.0 | 5.3 | 10.5 | 8.5 |
| Argentina | 1.6 | 1.3 | 1.8 | 2.6 | 3.3 | 2.4 | 2.9 | 4.7 |
| Canada | 1.0 | 0.6 | 0.6 | 0.5 | 0.5 | 0.5 | 0.8 | 0.7 |
| Rest of World | 31.8 | 31.2 | 30.8 | 29.9 | 31.2 | 31.4 | 1.6 | 1.9 |

**Source:** U.S. Department of Agriculture, Foreign Agricultural Service Production, Supply and Distribution Online database, http://www.fas.usda.gov/psdonline/psdHome.aspx.

**Notes:** NA = Not Available.

P = Preliminary.

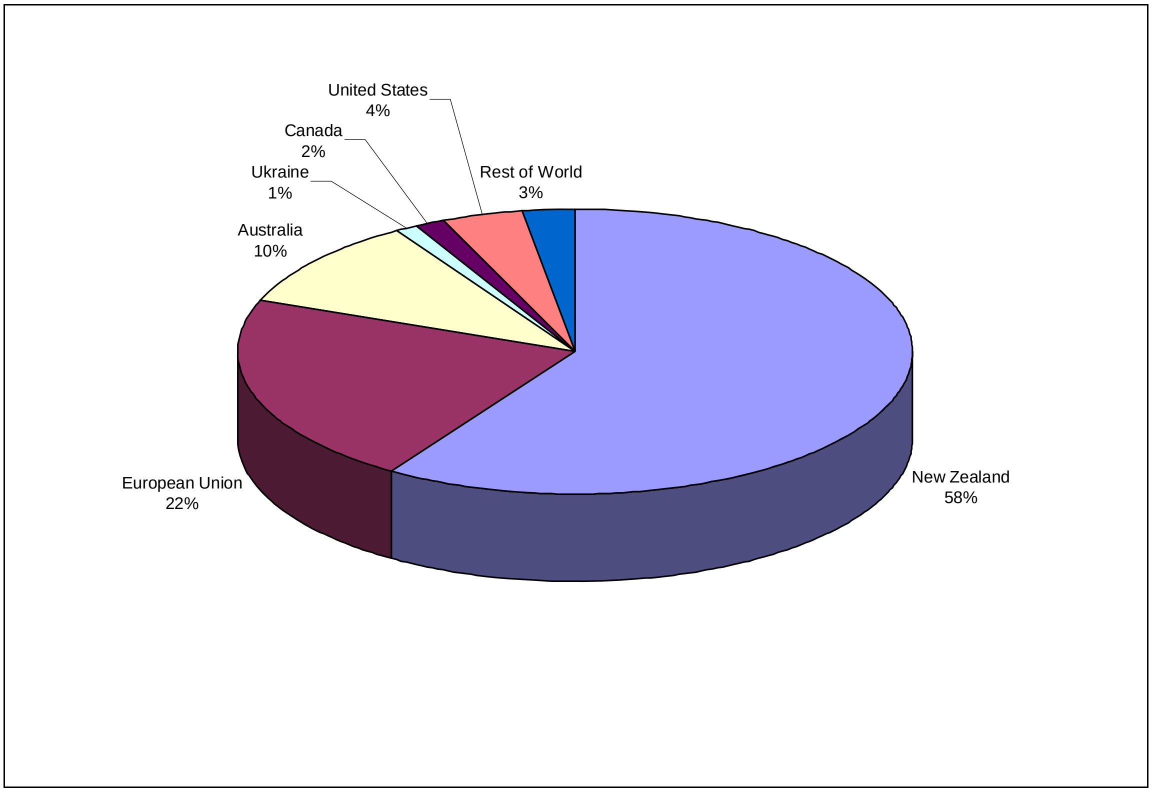
F = Forecast.

a. 1997-1998 data are EU-15 and 1999 to present are EU-27.

b. Year ending May 31 of the year shown.

c. Year ending June 30 of the year shown.

**Figure 17. Shares of World Butter Exports, 2009F**




**Source:** U.S. Department of Agriculture, Foreign Agricultural Service.

**Note:** F = Forecast.

**Table 17. Shares of World Butter Exports, 1994-2009F**

(percent)

| Country | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 |
|---|---|---|---|---|---|---|---|---|
| New Zealand[a] | 20.2 | 19.3 | 21.0 | 42.1 | 50.2 | 34.1 | 37.0 | 36.4 |
| European Union[b] | NA | NA | NA | 29.2 | 26.8 | 24.5 | 21.4 | 21.7 |
| Australia[c] | 7.1 | 6.9 | 6.6 | 14.8 | 16.7 | 14.3 | 15.2 | 12.9 |
| Ukraine | 1.7 | 5.6 | 8.4 | 7.9 | 1.6 | 1.0 | 3.4 | 5.6 |
| Canada | 0.2 | 0.5 | 1.1 | 1.6 | 1.9 | 1.3 | 1.1 | 1.7 |
| United States | 7.1 | 5.2 | 1.7 | 2.4 | 0.5 | 0.2 | 0.4 | 0.0 |
| Rest of World | 63.7 | 62.5 | 61.1 | 2.0 | 2.2 | 24.5 | 21.5 | 21.6 |
| **Country** | **2002** | **2003** | **2004** | **2005** | **2006** | **2007** | **2008** | **2009F** |
| New Zealand[a] | 36.1 | 33.6 | 31.8 | 27.8 | 36.3 | 41.0 | 51.8 | 59.0 |
| European Union[b] | 23.5 | 27.0 | 28.1 | 29.9 | 24.6 | 20.2 | 21.3 | 21.9 |
| Australia[c] | 12.8 | 9.3 | 6.0 | 6.2 | 8.1 | 7.5 | 8.3 | 10.2 |
| Ukraine | 1.5 | 1.5 | 3.3 | 2.1 | 1.8 | 0.4 | 1.0 | 1.0 |
| Canada | 1.7 | 1.0 | 1.4 | 1.8 | 1.8 | 1.2 | 0.4 | 1.6 |
| United States | 0.3 | 1.0 | 0.7 | 0.8 | 1.1 | 3.8 | 14.8 | 3.6 |
| Rest of World | 24.0 | 26.6 | 28.8 | 31.5 | 26.3 | 26.0 | 2.4 | 2.6 |

**Source:** U.S. Department of Agriculture, Foreign Agricultural Service Production, Supply and Distribution Online database, http://www.fas.usda.gov/psdonline/psdHome.aspx.

**Notes:** NA = Not Available.

P = Preliminary.

F = Forecast.

a. Year ending May 31 of the year shown.

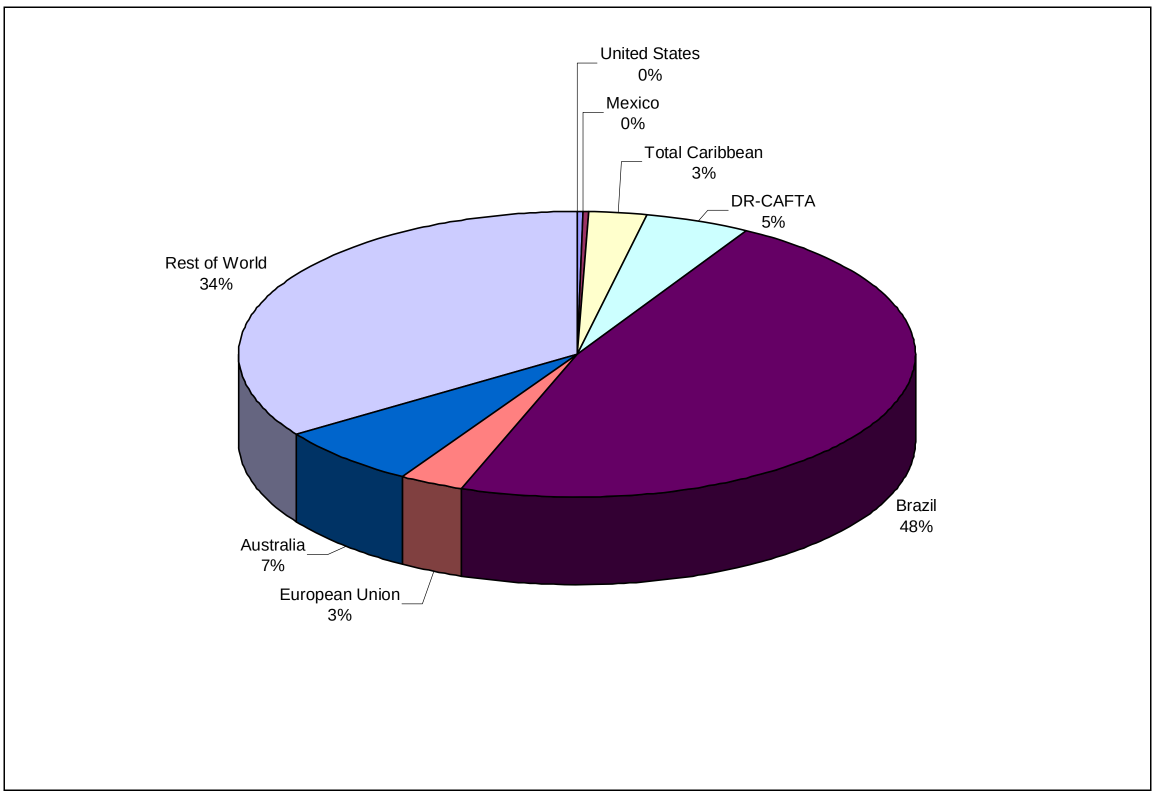
b. 1997-1998 data are EU-15 and 1999 to present are EU-27.

c. Year ending June 30 of the year shown.

# World Market Shares: Sugar

- Brazil is the world's leading exporter of sugar with an export market share forecast at 48% for 2009/2010.
- Australia, with 7% of global sugar exports, is the world's second-largest exporter of sugar.
- Sugar exports from the United States, a sugar importer, are negligible (only 0.4% forecast for 2009/2010).

**Figure 18. Shares of World Centrifugal Sugar Exports, 2009/2010F**




**Source:** U.S. Department of Agriculture, Foreign Agricultural Service.

**Notes:** DR-CAFTA includes Dominican Republic and Central America. The European Union (EU) data include French overseas departments of Reunion, Guadeloupe, and Martinique, but do not include intra trade. EU data include sugar-containing products. October-September marketing year. F = Forecast.

**Table 18. Shares of World Centrifugal Sugar Exports, 1995/1996-2009/2010F**

(percent)

| Country | 1995/1996 | 1996/1997 | 1997/1998 | 1998/1999 | 1999/2000 | 2000/2001 | 2001/2002 |
|---|---|---|---|---|---|---|---|
| United States | 0.9 | 0.5 | 0.4 | 0.6 | 0.3 | 0.3 | 0.3 |
| Mexico | 1.8 | 2.5 | 2.9 | 1.4 | 0.8 | 0.4 | 1.0 |
| Total Caribbean | 12.7 | 11.3 | 8.0 | 9.7 | 9.5 | 9.0 | 8.4 |
| DR-CAFTA[a] | 5.2 | 5.7 | 6.3 | 5.2 | 5.2 | 6.1 | 5.3 |
| Brazil | 16.4 | 15.3 | 19.1 | 23.2 | 27.1 | 20.1 | 27.4 |
| European Union[b] | 13.1 | 13.8 | 16.9 | 14.2 | 14.7 | 17.3 | 11.3 |
| Australia | 12.0 | 12.0 | 12.1 | 10.8 | 9.9 | 8.0 | 8.5 |
| Rest of World | 37.8 | 38.9 | 34.4 | 35.0 | 32.6 | 38.8 | 37.8 |
| **Country** | **2002/2003** | **2003/2004** | **2004/2005** | **2005/2006** | **2006/2007** | **2007/2008** | **2008/2009P** |
| United States | 0.3 | 0.6 | 0.5 | 0.4 | 0.8 | 0.4 | 0.2 |
| Mexico | 0.1 | 0.0 | 0.3 | 1.7 | 0.3 | 1.3 | 1.8 |
| Total Caribbean | 4.8 | 5.2 | 2.5 | 2.6 | 2.2 | 2.6 | 2.8 |
| DR-CAFTA[a] | 5.0 | 5.2 | 5.5 | 5.4 | 5.3 | 4.6 | 5.3 |
| Brazil | 29.4 | 32.7 | 38.4 | 34.2 | 41.2 | 37.9 | 42.0 |
| European Union[b] | 11.8 | 10.5 | 12.8 | 16.7 | 4.3 | 2.7 | 3.5 |
| Australia | 8.7 | 8.9 | 9.5 | 8.4 | 7.6 | 7.1 | 7.3 |
| Rest of World | 40.0 | 36.9 | 30.5 | 30.7 | 38.4 | 43.4 | 37.1 |
| **Country** | **2009/2010F** | | | | | | |
| United States | 0.4 | | | | | | |
| Mexico | 0.3 | | | | | | |
| Total Caribbean | 2.6 | | | | | | |
| DR-CAFTA[a] | 5.1 | | | | | | |
| Brazil | 47.4 | | | | | | |
| European Union[b] | 2.9 | | | | | | |
| Australia | 7.0 | | | | | | |
| Rest of World | 34.4 | | | | | | |

**Source:** U.S. Department of Agriculture. Foreign Agricultural Service Production, Supply and Distribution Online database, http://www.fas.usda.gov/psdonline/psdHome.aspx.

**Notes:** P = Preliminary.

F = Forecast.

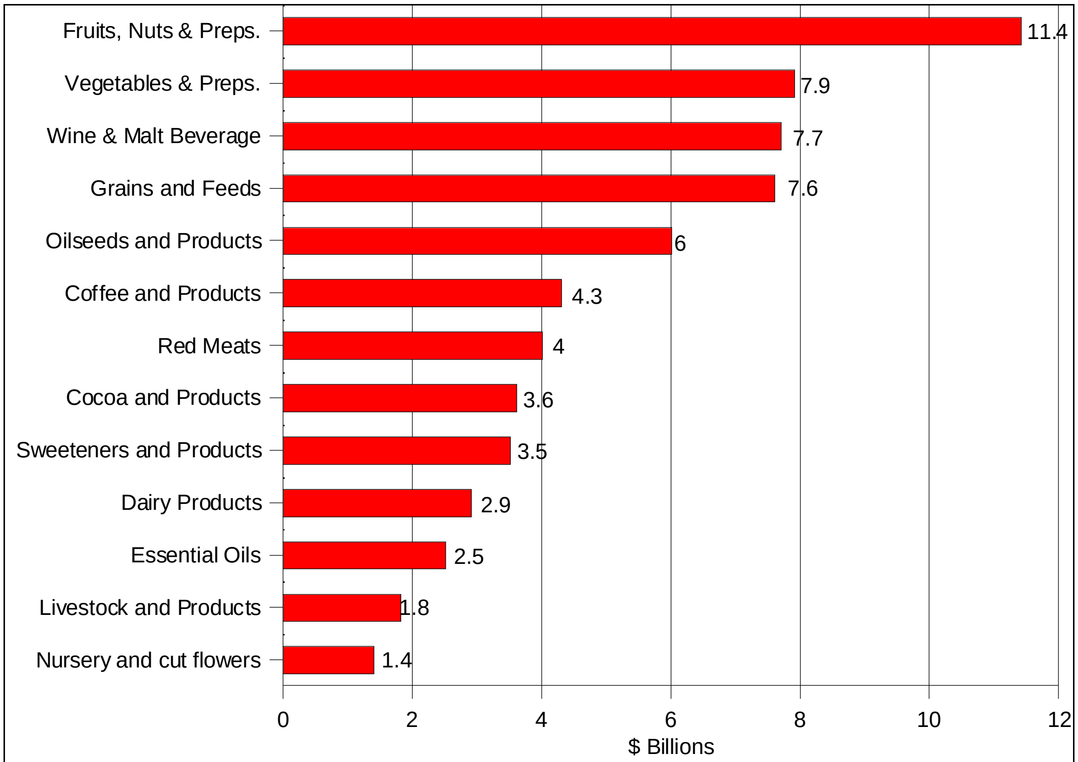
a. DR-CAFTA includes Dominican Republic and Central America. 1995/1996-2003/2004 data are EU-15, 2004/2005-2005/2006 are EU-25, and 2006/2007 to present are EU-27.

b. The EU Includes French overseas departments of Reunion, Guadeloupe, and Martinique. EU trade data does not Include intra trade. Beginning 2004/2005, the data reflects the EU enlargement by accession of 10 countries. EU exports include sugar-containing products.

# Major U.S. Agricultural Imports

- High-value horticultural products (fruits, vegetables, nuts, wine, beer, nursery stock and flowers, and others) are the largest category of U.S. agricultural imports, with more than $34 billion forecast for FY2010.
- Other sizeable commodity imports forecast for FY20010 are grains and feeds ($7.6 billion), livestock, dairy, and poultry ($11.3 billion), and oilseeds and products ($6.0 billion).
- Imports of tropical products such as coffee, cocoa, sugar, and rubber are forecast to be $16.5 billion in FY2010.

**Figure 19. Major Agricultural Imports by Commodity, FY2010F**




Source: U.S. Department of Agriculture. Economic Research Service. F = Forecast

**Table 19. Major U.S. Agricultural Imports, FY2010F**

($ billions)

| Commodity | FY2010F Imports |
|---|---|
| Fruits, Nuts & Preps. | 11.4 |
| Vegetables & Preps. | 7.9 |
| Wine & Malt Beverage | 7.7 |
| Grains and Feeds | 7.6 |
| Oilseeds and Products | 6.0 |
| Coffee and Products | 4.3 |
| Red Meats | 4.0 |
| Cocoa and Products | 3.6 |
| Sweeteners and Products | 3.5 |
| Dairy Products | 2.9 |
| Essential Oils | 2.5 |
| Livestock and Products | 1.8 |
| Nursery and Cut Flowers | 1.4 |

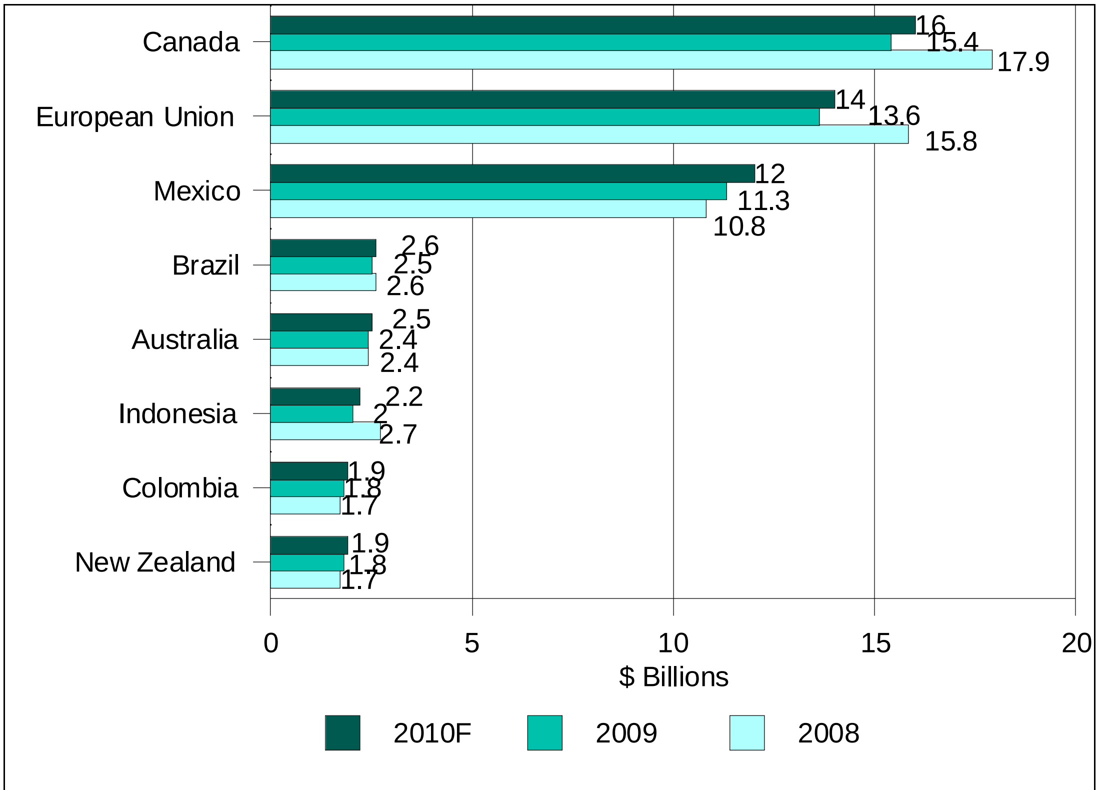
**Source:** U.S. Department of Agriculture, Economic Research Service, Outlook for U.S. Agricultural Trade, AES-65, February 18, 2010, available at http://usda.mannlib.cornell.edu/usda/current/AES/AES-02-18-2010.pdf.

**Note:** F = Forecast.

# U.S. Agricultural Imports by Country of Origin

- NAFTA partners Canada ($16 billion) and Mexico ($12 billion) and the EU-27 ($14 billion) are forecast to be the source of 70 % of total U.S. agricultural imports in FY2010.
- Agricultural imports from Brazil also are expected to reach a forecast $2.6 billion in FY2010, making it the fourth-largest source of U.S. agricultural imports.
- Australia (at $2.5 billion), with whom the United States entered a free trade agreement (FTA) in 2005, is forecast to be the fifth-largest supplier in FY2009.

**Figure 20. U.S. Agricultural Imports by Country of Origin, FY2008-FY2010F**




Source: U.S. Department of Agriculture. Economic Research Service. F = Forecast

**Table 20. U.S. Agricultural Imports by Country of Origin, FY2008-FY2010F**

($ billion)

| Country | FY2008 | FY2009 | FY2010F |
|---|---|---|---|
| European Union | 15.8 | 13.6 | 14.0 |
| Canada | 17.9 | 15.4 | 16.0 |
| Mexico | 10.8 | 11.3 | 12.0 |
| Brazil | 2.6 | 2.5 | 2.6 |
| Australia | 2.4 | 2.4 | 2.5 |
| Indonesia | 2.7 | 2.0 | 2.2 |
| New Zealand | 1.7 | 1.8 | 1.9 |
| Colombia | 1.7 | 1.8 | 1.9 |

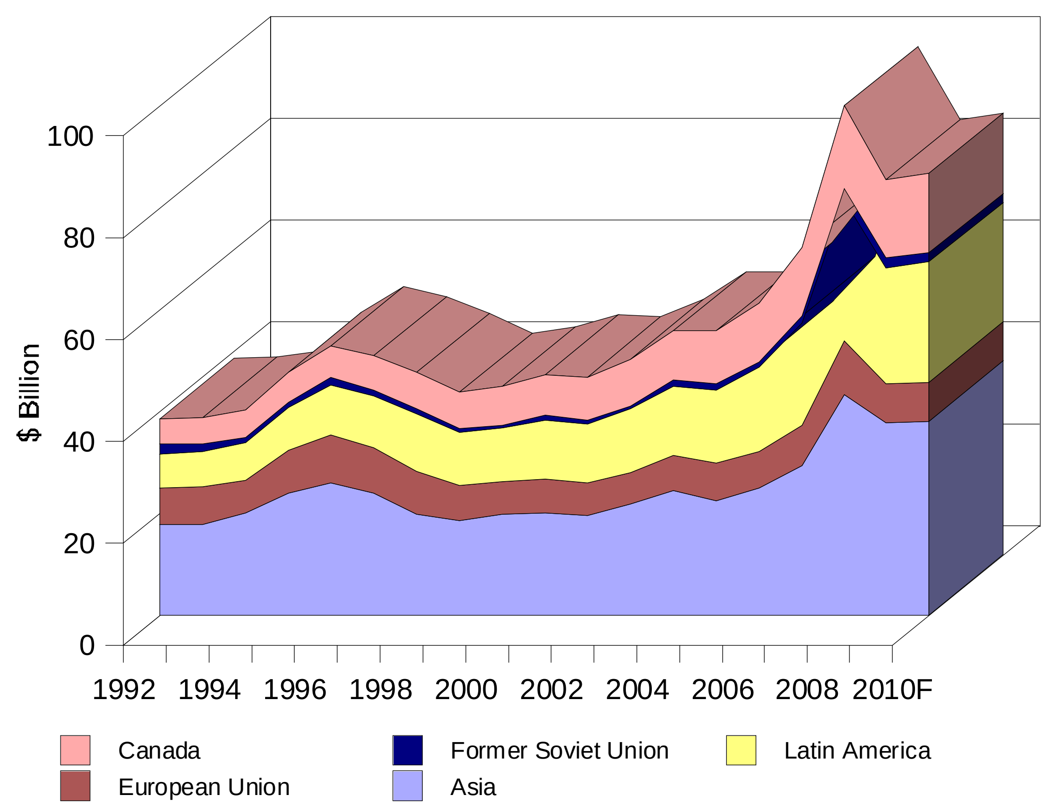
**Source:** U.S. Department of Agriculture, Economic Research Service, Outlook for U.S. Agricultural Trade, AES-65, February 18, 2010, available at http://usda.mannlib.cornell.edu/usda/current/AES/AES-02-18-2010.pdf.

**Notes:** F = Forecast.

# Regional Market Growth in U.S. Agricultural Exports

- Economic growth in Asia has contributed to relatively consistent long-term growth in U.S. agricultural exports to the region.
- Despite some year-to-year variation, the EU, the United States' fifth-largest agricultural export market, has been a relatively stable market for U.S. agricultural exports with little growth since 1992.
- Agricultural exports to countries in the former Soviet Union have declined in value since the 1992 break-up of the USSR.
- Agricultural exports to Latin America, including Mexico, and to Canada have grown rapidly since the early 1990s because of geographic proximity, NAFTA, and other factors.

**Figure 21. Growth in U.S. Agricultural Exports, FY1992-FY2010F**




Source: U.S. Department of Agriculture. Economic Research Service. F = Forecast

**Table 21. Change in U.S. Agricultural Exports to Selected Markets, FY1992-FY2010F**

($ billion)

| Year | Asia | European Union | Latin America[a] | Former Soviet Union | Canada |
|---|---|---|---|---|---|
| 1992 | 17.8 | 7.2 | 6.5 | 2.2 | 4.8 |
| 1993 | 17.8 | 7.2 | 6.9 | 1.6 | 5.2 |
| 1994 | 19.9 | 6.6 | 7.4 | 1.0 | 5.3 |
| 1995 | 24.0 | 8.4 | 8.2 | 1.2 | 5.8 |
| 1996 | 26.0 | 9.2 | 9.9 | 1.6 | 6.0 |
| 1997 | 23.9 | 9.0 | 10.0 | 1.3 | 6.6 |
| 1998 | 19.7 | 8.5 | 11.3 | 1.0 | 7.0 |
| 1999 | 18.5 | 7.0 | 10.4 | 0.8 | 7.0 |
| 2000 | 19.7 | 6.4 | 10.6 | 0.7 | 7.5 |
| 2001 | 20.1 | 6.5 | 11.6 | 1.1 | 8.0 |
| 2002 | 19.5 | 6.5 | 11.5 | 0.7 | 8.6 |
| 2003 | 21.7 | 6.3 | 12.4 | 0.7 | 9.1 |
| 2004 | 24.3 | 7.0 | 13.6 | 1.1 | 9.6 |
| 2005 | 22.5 | 7.2 | 14.4 | 1.2 | 10.4 |
| 2006 | 24.9 | 7.2 | 16.5 | 1.1 | 11.6 |
| 2007 | 29.3 | 8.0 | 20.0 | 1.4 | 13.3 |
| 2008 | 43.2 | 10.7 | 27.5 | 2.3 | 16.2 |
| 2009 | 37.8 | 7.6 | 22.8 | 1.8 | 15.5 |
| 2010F | 38.0 | 7.7 | 23.6 | 1.7 | 15.7 |
| Rate of Growth[b] | 4.07% | 0.35% | 7.02% | -1.35% | 6.44% |

**Source:** U. S. Department of Agriculture, Economic Research Service, Outlook for U.S. Agricultural Trade, AES-65, February 18, 2010, available at http://usda.mannlib.cornell.edu/usda/current/AES/AES-02-18-2010.pdf.

**Notes:** F = Forecast.

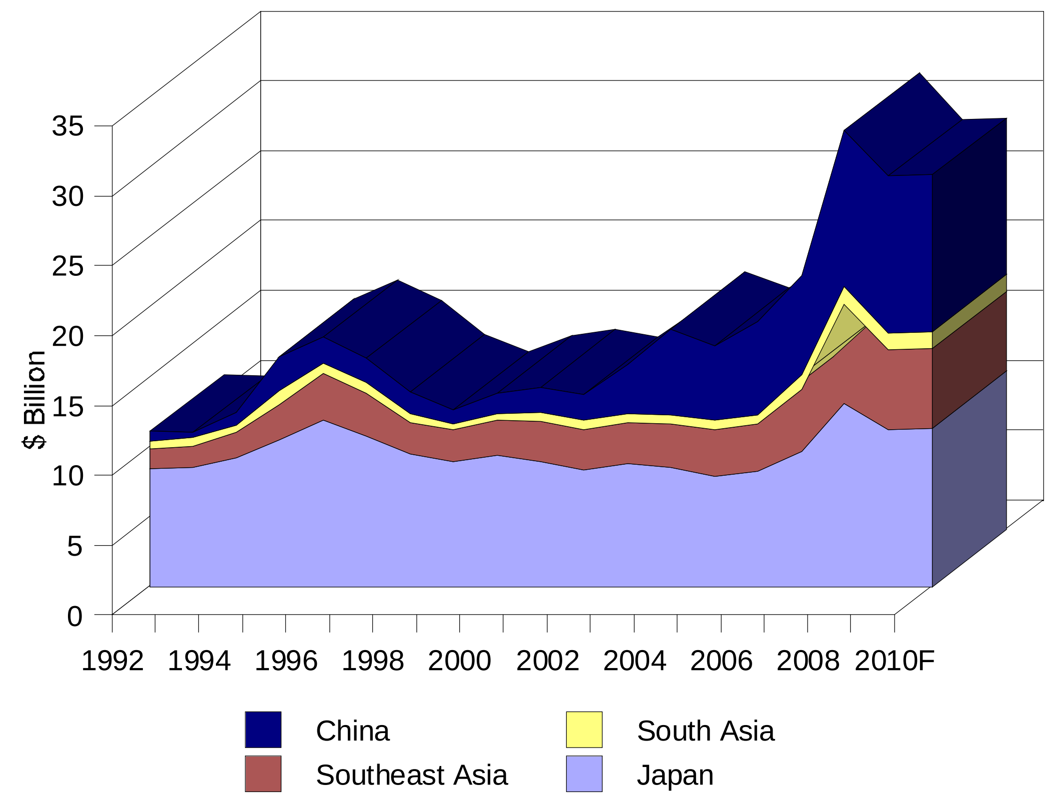
a. Including Mexico.

b. The rate of growth is the change in U.S. exports from 1992 to 2010F. Calculations were made by CRS using a compound rate of growth calculator.

# Growth in U.S. Agricultural Exports to Asian Markets

- Like the EU, Japan also has been a relatively stable and slow-growing market for U.S. agricultural exports.
- U.S. agricultural exports to China, fueled by rates of GDP growth in excess of 9%, have grown rapidly since the early 1990s (15.7%). Despite China's slower economic growth in 2009, FY2010 U.S. agricultural exports to that country are forecast to be more than five times their value in FY2001, when China became a member of the World Trade Organization.
- Rapid income growth in Southeast Asia also has stimulated demand for U.S. agricultural exports since 1992.
- Agricultural exports to South Asia have shown slow but steady growth since 1992.

**Figure 22. Growth in Agricultural Exports to Asian Markets, FY1992-FY2010F**




Source: U.S. Department of Agriculture. Economic Research Service. F = Forecast

**Table 22. Change in U.S. Agricultural Exports to Asian Markets, FY1992-FY2010F**

($ billion)

| Year | Japan | Southeast Asia | South Asia | China |
|---|---|---|---|---|
| 1992 | 8.4 | 1.5 | 0.5 | 0.7 |
| 1993 | 8.5 | 1.6 | 0.6 | 0.3 |
| 1994 | 9.2 | 1.8 | 0.6 | 0.9 |
| 1995 | 10.5 | 2.6 | 1.0 | 2.4 |
| 1996 | 11.9 | 3.4 | 0.7 | 1.8 |
| 1997 | 10.7 | 3.1 | 0.7 | 1.8 |
| 1998 | 9.5 | 2.3 | 0.6 | 1.5 |
| 1999 | 8.9 | 2.2 | 0.5 | 1.0 |
| 2000 | 9.4 | 2.6 | 0.4 | 1.5 |
| 2001 | 8.9 | 2.9 | 0.6 | 1.9 |
| 2002 | 8.3 | 2.9 | 0.8 | 1.8 |
| 2003 | 8.8 | 2.9 | 0.6 | 3.5 |
| 2004 | 8.5 | 3.1 | 0.7 | 6.1 |
| 2005 | 7.8 | 3.4 | 0.7 | 5.3 |
| 2006 | 8.2 | 3.4 | 0.7 | 6.6 |
| 2007 | 9.7 | 4.4 | 1.0 | 7.1 |
| 2008 | 13.1 | 7.1 | 1.2 | 11.2 |
| 2009 | 11.2 | 5.7 | 1.2 | 11.2 |
| 2010F | 11.3 | 5.7 | 1.2 | 11.2 |
| Rate of Growth[a] | 1.57% | 7.28% | 4.72% | 15.71% |

**Source:** U.S. Department of Agriculture. Economic Research Service, Outlook for U.S. Agricultural Trade, AES-65, February 18, 2010, available at http://usda.mannlib.cornell.edu/usda/current/AES/AES-02-18-2010.pdf.

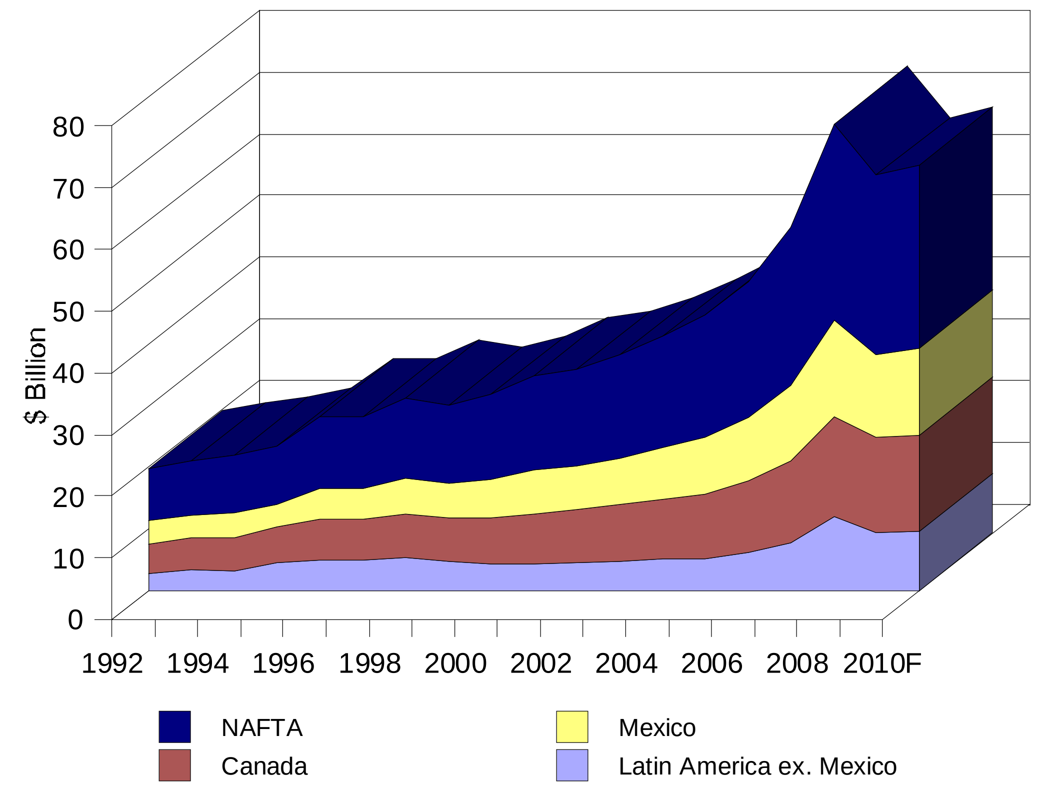
**Notes:** F = Forecast.

a. The rate of growth is the change in U.S. exports from 1992 to 2010F. Calculations were made by CRS using a compound rate of growth calculator.

# Growth in Agricultural Exports to North and South America

- Growth in U.S. agricultural trade with Canada and Mexico, both NAFTA trading partners, and with Latin America has been particularly strong since 1992.
- U.S. agricultural exports to Canada are forecast to be $15.7 billion in FY2010.
- U.S. agricultural exports to Mexico are expected to be $14 billion in FY2010.
- U.S. agricultural exports to Latin America (excluding Mexico) are expected to reach $9.6 billion in FY2010, down from $12 billion in FY2008.

**Figure 23. Change in Agricultural Exports to North and South America, FY1992-FY2010F**




Source: U.S. Department of Agriculture. Economic Research Service. F = Forecast

**Table 23. Change in Agricultural Exports to North and South America, FY1992-FY2010F**

($ billion)

| Year | Latin America ex. Mexico | Canada | Mexico | NAFTA |
|---|---|---|---|---|
| 1992 | 2.8 | 4.8 | 3.7 | 8.5 |
| 1993 | 3.3 | 5.2 | 3.7 | 8.9 |
| 1994 | 3.2 | 5.3 | 4.1 | 9.4 |
| 1995 | 4.5 | 5.8 | 3.7 | 9.5 |
| 1996 | 4.9 | 6.6 | 5.1 | 11.7 |
| 1997 | 4.9 | 6.6 | 5.1 | 11.7 |
| 1998 | 5.3 | 7.0 | 6.0 | 13.0 |
| 1999 | 4.7 | 7.0 | 5.7 | 12.7 |
| 2000 | 4.3 | 7.5 | 6.3 | 13.8 |
| 2001 | 4.3 | 8.0 | 7.3 | 15.3 |
| 2002 | 4.5 | 8.6 | 7.1 | 15.7 |
| 2003 | 4.8 | 9.1 | 7.6 | 16.7 |
| 2004 | 5.2 | 9.6 | 8.4 | 18.0 |
| 2005 | 5.2 | 10.4 | 9.3 | 19.7 |
| 2006 | 6.1 | 11.6 | 10.4 | 22.0 |
| 2007 | 7.7 | 13.3 | 12.3 | 25.6 |
| 2008 | 12.0 | 16.2 | 15.6 | 31.8 |
| 2009 | 9.3 | 15.5 | 13.5 | 29.0 |
| 2010F | 9.6 | 15.7 | 14.0 | 29.7 |
| Rate of Growth[a] | 6.70% | 6.44% | 7.25% | 6.81% |

**Source:** U.S. Department of Agriculture, Economic Research Service, Outlook for U.S. Agricultural Trade, AES-65, February 18, 2010, available at http://usda.mannlib.cornell.edu/usda/current/AES/AES-02-18-2010.pdf.

**Notes:** F = Forecast.

a. The rate of growth is the change in U.S. exports from 1992 to 2010F. Calculations were made by CRS using a compound rate of growth calculator.

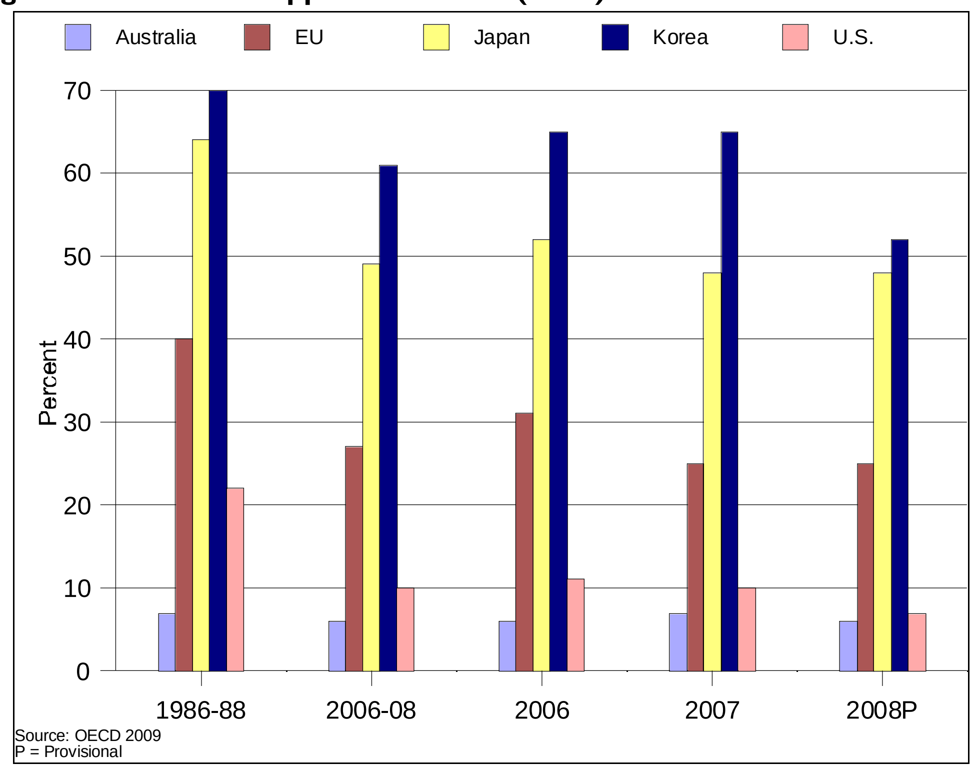
# U.S. Agricultural and Trade Policies

## Domestic Support

The Food, Conservation, and Energy Act of 2008 (P.L. 110-246, 2008 farm bill) was enacted into law in June 2008 and will govern most federal farm and food policies through 2012. The 2008 farm bill provides support for commodities through 2012 as well as for trade and food aid programs administered by USDA.

By one widely used measure, the producer support estimate (PSE) calculated by the Organization for Economic Cooperation and Development (OECD), the United States provided $23 billion in direct payments and commodity price supports to producers in 2008 (provisional estimate).[1] PSEs measure assistance to producers in terms of the value of monetary transfers generated by agricultural policy. Transfers are paid by consumers or by taxpayers in the form of market price support, direct payments, or other support. They are a broader measure of support than direct government spending alone. The percentage PSE measures support in relation to gross farm receipts. As a percent of gross farm receipts, the PSE for the United States is 7%, the third-lowest among OECD countries (**Figure 24, Table 24**). OECD attributes the relatively low PSE expected for the United States for 2008 to a fall in commodity prices rather than to policy changes. Sugar is the most highly subsidized product in the United States, with a provisional single commodity transfer estimated at 27% of the gross value of sugar production in 2008 (**Figure 25, Table 25**).

**Figure 24. Producer Support Estimates (PSEs) in Selected OECD Countries**




[1] OECD countries include Australia, Canada, the European Union, Iceland, Japan, Korea, New Zealand, Norway, Switzerland, Turkey, and the United States.

**Table 24. Producer Support Estimates (PSEs) in Selected OECD Countries**

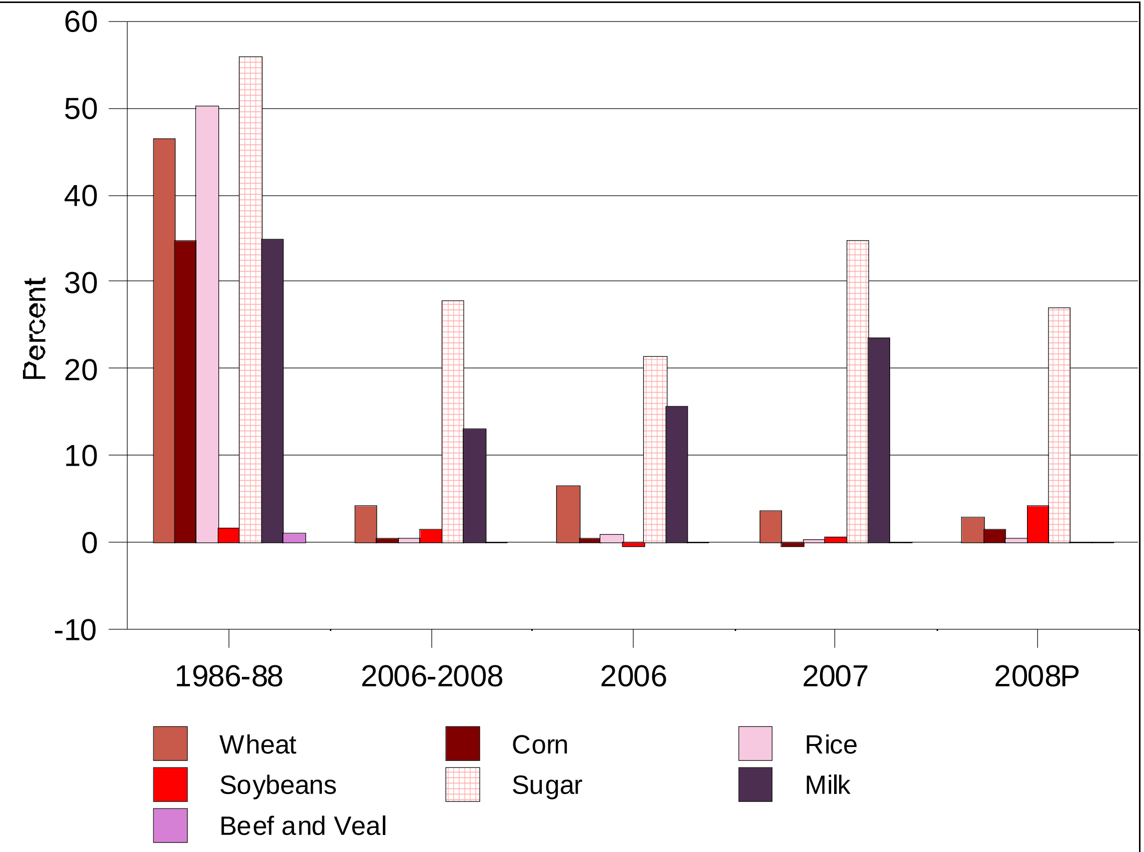
(percent)

| Country | 1986-1988 | 2006-2008 | 2006 | 2007 | 2008P |
|---|---|---|---|---|---|
| Australia | 7 | 6 | 6 | 7 | 6 |
| EU | 40 | 27 | 31 | 25 | 25 |
| Japan | 64 | 49 | 52 | 48 | 48 |
| Korea | 70 | 61 | 65 | 65 | 52 |
| U.S. | 22 | 10 | 11 | 10 | 7 |

**Source:** Organization for Economic Co-operation and Development (OECD), Agricultural Policies in OECD Countries: Monitoring and Evaluation, 2009.

**Note:** P = Provisional.

**Figure 25. Producer Single Commodity Transfers (PSCs): Selected Commodities in the United States**




Source: OECD 2009
P = Provisional

**Table 25. Producer Single Commodity Transfers (PSC) in the United States, by Commodity**

(percent)

| Products | 1986-1988 (Average) | 2006-2008 | 2006 | 2007 | 2008P |
|---|---|---|---|---|---|
| Wheat | 46.5 | 4.3 | 6.6 | 3.6 | 2.9 |
| Corn | 34.8 | 0.5 | 0.4 | -0.5 | 1.5 |
| Rice | 50.2 | 0.5 | 0.9 | 0.3 | 0.4 |
| Soybeans | 1.7 | 1.5 | -0.4 | 0.6 | 4.3 |
| Sugar | 55.9 | 27.8 | 21.4 | 34.8 | 27.0 |
| Milk | 34.9 | 13.1 | 15.6 | 23.6 | 0.0 |
| Beef and Veal | 1.1 | 0.0 | 0.0 | 0.0 | 0.0 |

**Source:** Organization for Economic Cooperation and Development (OECD), Agricultural Policies in OECD Countries: Monitoring and Evaluation, 2009 edition.

**Note:** P = Provisional.

## Trade Measures

The United States applies tariffs and tariff quotas[2] to products entering the United States from abroad. According to the World Trade Organization (WTO), the United States average applied tariff for agricultural products in 2007 was 8.9%, which is slightly above the average applied tariff for non-agricultural products (4%).[3] About 200 tariff lines (a tariff line is a product as described in a schedule or list of tariffs) are subject to tariff quotas, including beef, dairy products, and sugar. The average in-quota tariff was 9.1% in 2007, while the out-of-quota was 42%.[4]

Under the WTO Agreement on Agriculture, the United States made export subsidy reduction commitments for 13 commodities.[5] The 2008 farm bill repealed authority for the Export Enhancement Program (EEP), which was used to fund subsidies for those products, with the exception of dairy products. Export subsidies, in the form of cash bonuses, can be provided to exporters of dairy products under the Dairy Export Incentive Program (DEIP), which was reauthorized in the 2008 farm bill through 2012. Prior to its repeal, no expenditures were made for EEP from FY2002. No subsidies have been provided under DEIP since FY2004. Spurred by declining prices for dairy products in 2008-2009, USDA announced in May 2009 DEIP allocations for nonfat dry milk, butter fat, and cheeses.

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[2] A tariff quota is defined by WTO as a trade measure applied at the border where quantities inside a quota are charged lower import duty rates than those outside (which can be high).

[3] WTO, *Trade Policy Review: United States 2008*, pp. 81-82, available at http://www.wto.org/english/tratop_e/tpr_e/tp_rep_e.htm#bycountry.

[4] Ibid, p. 81.

[5] Wheat and wheat flour, coarse grains, rice, vegetable oils, butter and butter oil, skim milk powder, cheese, other milk products, bovine meat, pigmeat, poultry meat, live dairy cattle, and eggs.

A federally chartered public corporation operated by USDA, the Commodity Credit Corporation (CCC), makes credit guarantees available to private financial institutions who finance the purchase of U.S. agricultural exports. The CCC operates two export credit guarantee programs. Under GSM-102, the CCC guarantees repayment of credit made available to finance U.S. agricultural exports on credit terms of up to three years. The Facilities Guarantee Program (FGP) guarantees credit to U.S. banks that finance export sales of U.S. goods and services that are used to improve agricultural export-related facilities in emerging markets (storage, processing, and handling facilities).

Export market development programs, the Market Access Program (MAP), and the Foreign Market Development Program (FMDP) assist producer groups, associations, and firms with promotional and other activities.

## Food Aid

The United States is the world's leading supplier of food aid. It provides more than half of the global total.

The United States provides food aid mainly through P.L. 480, also known as the Food for Peace Program. Wheat and wheat flour are the main commodities provided as food aid, but rice and vegetable oils are also important in P.L. 480 programs. Higher-value products are made available in special feeding programs. Responsibility for implementing food aid programs is shared by USDA and the U.S. Agency for International Development (AID).

P.L. 480 food aid is provided on concessional terms (Title I) and as donations (Titles II and III). Title I food aid is intended to help develop overseas markets; Titles II and III are for humanitarian or developmental purposes.

Two other food aid programs are conducted under Section 416(b) of the Agricultural Act of 1949 and the Food for Progress Act of 1985. The former provides surplus CCC inventories as donations; the latter provides concessional credit terms or commodity donations to support emerging democracies or countries making free market economic reforms. A recently enacted food aid program, the McGovern-Dole School Food for Education Program, finances school feeding and child nutrition projects in poor countries.

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