

2010 U.S.-Brazil Temporary Agreement on the Cotton Dispute

INITIAL ADJUSTMENTS

- Temporary halt of payments under the export credit guarantee program (GSM-102) during FY2010.
- Adjustments to the export credit guarantee program (GSM-102) through a new fee structure.

Negotiations and exchange of letters between USG and GOB

April 5, 2010

TECHNICAL ASSISTANCE & CAPACITY BUILDING

- Transfer of funds to Brazil in order to provide technical assistance and capacity building to local cotton producers based on 12 pre-authorized activities.
- US\$ 147.3 million per year until the 2012 Farm Bill approval or a mutually agreed solution is reached.

Memorandum of Understanding (MOU) between USG and GOB

April 20, 2010

ACTIONS ON PENDING TRADE ISSUES WITH BRAZIL

- Publication by APHIS of pending risk assessment, proposed rule, and final rule on pork exports from the Brazilian State of Santa Catarina.

Exchange of letters and negotiations between USG and GOB

April & June 2010

MONITORING OF COMMITMENTS AND REGULAR DISCUSSIONS

- Semi-annual reviews of the export credit guarantee program (GSM-102) based on benchmarks of length and premiums.
- Quarterly discussions on potential limits to domestic support programs (MLP and CCP).

Framework Agreement between USG and GOB

June 17, 2010

DEFINITIVE SOLUTION

- Definitive solution to the dispute through compliance in the context of the 2012 Farm Bill having the parameters established by the Framework Agreement as a basis.

Framework Agreement between USG and GOB

June 17, 2010