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ALGERIA TARGETED FOR EXPORT BONUS WHEAT INITIATIVE

WASHINGTON, June 4--Sales of nondurum wheat to Algeria will be the first initiative offered under the Department of Agriculture's \$2-billion export enhancement program, according to Secretary of Agriculture John R. Block.

Block said the sales will involve up to one million metric tons of wheat, including the bonus quantity provided from Commodity Credit Corporation stocks to enable the U.S. exporters to compete at commercial prices in the Algerian market. All wheat classes other than durum will be eligible. It represents more than one-third of Algeria's estimated wheat import needs and \$117 million in additional sales for the United States in 1985.

"This action meets the two criteria which I outlined when announcing the program last month," Block said. "First, it represents an additional sale for the United States in the world market. At the same time, it is targeted to a market identified as one characterized by unfair trade practices by a competing nation."

Block said the U.S. share of the Algerian wheat market has fallen from 41 percent in 1979-80 to an estimated 16 percent in 1984-85. During the same period, the European Community, with its program of export subsidies, has increased its market share from 29 percent to an estimated 59 percent.

Block re-emphasized that USDA remains fully committed to market-oriented international trade policies. "The export enhancement program is not one we would freely choose," he said. "It is a risky, yet necessary step. We see it as a counter to unfair trade practices in the present, and as an encouragement to trade talks in the future."