in the non-producing countries. In the 1966–67 marketing season our exports of fresh citrus to Canada and overseas markets approximated 24 million cartons with an f.o.b. value of about $62.5 million. It is estimated that exports of processed citrus products produced in California and Arizona during 1966–67 amounted to $10 million. The value of exported citrus products for 1966–67 was below that attained in recent years due in great part to either non-tariff barriers or the shifting tariff relationships that occurred between suppliers due to the formation of the European Economic Community. However, for the 1966–67 season, it is estimated that total California-Arizona exports had an f.o.b. value of approximately $75 million. The estimated value of imports of like citrus commodities amounted to $30 million during the same period. Thus, it may be estimated that the exports of California-Arizona citrus and citrus products in relation to imports of citrus and citrus products created a favorable trade balance of $45 million. Additional exports of citrus and citrus products were made from other producing areas of the United States, the value of which would be added to the $45 million to arrive at the total net balance of trade created by the United States trade in citrus.

EUROPEAN ECONOMIC COMMUNITY TARIFFS AND NON-TARIFF BARRIERS

In previous presentations made at tariff hearing, the California-Arizona Citrus League made the salient point that the United States citrus industry was and continues to be placed at a disadvantage in world citrus trade by reason of the development of the Common Market. This is because citrus producing countries which are members of the Common Market will have duty-free access to the principal consuming markets of Western Europe as of July 1, 1968. In contrast, citrus exports from the United States will encounter the Common External Tariff of the EEC.

The following tabulation shows the comparison between CXT rates effective July 1, 1968, and the original tariff rates of those countries which have been traditional markets for us.

EEC IMPORT DUTIES: A COMPARISON OF NATIONAL RATES AS OF JAN. 1, 1957, WITH THE FINAL COMMON EXTERNAL TARIFF SHOWN ON AN AD VALOREM BASIS

Commodity	Rates as of Jan. 1, 1957			CXT final rates	
	West Germany	Benelux	France		
Fresh oranges	10	15	20–25–35	15	(Apr. 1 to Oct. 15).
				20	(Oct. 1 to Mar. 15).
Fresh lemons	0	113	15	8.	
Fresh grapefruit	10	12	20	12.	
Citrus juices	10–17–20	15–18	30	19	(Lemon and grapefruit).
				20	(Orange).
Juice mixes	17–20	15–18	30	22	(with pineapple).
Containing citrus				24	(other mixes).
Citrus oils, not terpeneless	0	8	0–8	12.	

It is obvious that the effect of the development of the Common Market and its CXT is to place the United States at a disadvantage as a supplier to the principal consumer markets in contrast with Italy, a member of the EEC. And now Greece has been added to the list of citrus suppliers by reason of associate member status, and Turkey, by reason of preferential agreement. Apparently, this is not the end of the discriminatory treatment in favor of Mediterranean suppliers since negotiations are currently in the process with Turkey, Morocco, Iran, Lebanon, Israel, Tunisia and Spain. It is our understanding that the extent of this preference which is now being negotiated, ranges from a reduction of 20% in the CXT for Turkey to 80% for Morocco and Tunisia. This concept is particularly disturbing to us because it represents discriminatory practice against the United States and other citrus suppliers to the EEC such as South Africa and Brazil. This is contrary to EEC's original policy which has been to treat all third country GATT participants in the same manner.

We are aware that these negotiations are predicated upon the maintenance of a higher level of prices by the exporting countries so that the result of the tariff reductions are to be reflected in higher returns to growers in those coun-