

### Abstract:

Many governments provide support to horticultural production, including measures that limit competition from imports or that encourage exports. Not until the Uruguay Round of trade negotiations did the GATT seriously attempt to establish rules related to barriers to trade in horticultural and agricultural products. Tariffs levied on fresh fruits currently average 58%, somewhat less the average 68% tariff on fresh vegetables. For some countries and products, fruit or vegetable tariffs exceed 100% and constitute significant barriers to trade. While fresh fruit and vegetables accounted for only 2.5% of total global expenditures on agricultural export subsidies in 2000, they were the third highest commodity group behind beef and milk in terms of trade-distorting domestic subsidy expenditures. Despite the Uruguay Round Agreement, trade disputes arise between members, and quarantine and market access issues have been main causes of disputes over horticultural trade. The WTO Doha Round continues to attempt to reach agreement over further reductions in trade barriers. An applied general equilibrium model is used to analyse selected scenarios of tariff and subsidy reductions. Results indicate that the degree of agricultural trade reform that might be expected to result from the current WTO Round is not likely to require as great a level of adjustment from horticultural producers as in some other kinds of farm production. Horticultural exports of Central and South America, and the Middle East and North Africa can be expected to increase, as can be the net imports of the EU15, USA, Rest of Europe and Japan. China is emerging as an increasingly important horticultural exporter and this role could be boosted should trade be liberalised, especially with increased exports to Japan, Korea and the rest of Asia.