January 28, 2004

Mr. Dariusz Rosati Chairman *United States – Subsidies on Upland Cotton* (DS267) World Trade Organization Centre William Rappard 154 Rue de Lausanne 1211 Geneva 21

Dear Mr. Chairman:

Enclosed with this letter the United States is providing a CD containing revised versions of the 6 electronic data files relating to the production flexibility contract era and the direct and counter-cyclical payment era that were transmitted to Brazil on December 18 and 19, 2003, and to the Panel on December 18 and 22, 2003. The enclosed CD contains six revised data files. The file names are identical to those previously submitted but with an "r" preceding the original file name. Thus, the files are now titled "rDcpsum.xls" (aggregate data file), "rDcpby.txt" (farm-by-farm base and yield data file), "rDcpplac.txt" (planted acres file), "rPfcsum.xls" (aggregate data file). We have prepared these revised electronic files after becoming aware of certain errors in the original data files submitted.

In the limited time available to reply to Brazil's request for data, certain programming errors appear to have resulted. As indicated in our letter of December 18 to the Panel, responding to the Brazilian request involved extracting pertinent information from approximately 10 million data files; because that request sought information relating to up to 10 program crops on nearly 250,000 farms, the information provided by the United States ultimately spanned nearly 220 megabytes of data. Because that data was not the product of any established procedure with a protocol for cross-checking and verification, it was perhaps inevitable that certain errors should have occurred.

In preparing comments on Brazil's answer to question 258 from the Panel, the United States became aware that certain fields in the aggregate data files ("Pfcsum.xls" and "Dcpsum.xls") that the United States had prepared to assist the Panel and Brazil in interpreting the voluminous data in the farm-by-farm files contained no data (indicated by a zero ("0") or a dash ("-")). For example, looking at the original summary file for the direct and counter-cyclical payment era ("Dcpsum.xls"), those farms that in marketing year 2002 had upland cotton base acreage (4.7 million acres) but planted no cotton at all (0 acres), are also listed as having planted

no acres of wheat, oats, rice, corn, sorghum, barley, flax, sunflower, safflower, soybeans, rapeseed, mustard, canola, crambe, or sesame on 15.9 million acres of cropland.

The United States has now expended significant effort correcting for programming errors and re-running the pertinent search. These efforts revealed that, while the cotton data continues to be correct (that is, farms with 4.7 million base acres of upland cotton planted not a single acre of cotton in marketing year 2002), in fact these farms planted approximately 10.3 million acres of these other crops and not zero as originally reported.

The corrected programming and new search generally corrected for instances in which the original search apparently failed to capture relevant data. The most significant revisions relate to (1) additional planted acres for other crops for those farms with upland cotton base acres that planted no cotton and (2) additional base acres for other crops for those farms without any upland cotton base acres that did plant cotton.

The United States is providing a copy of this letter and the above-mentioned CD-ROM directly to Brazil.

Sincerely,

Steven F. Fabry Senior Legal Advisor

cc: H.E. Mr. Luiz Felipe de Seixas Corrêa, Permanent Mission of Brazil