



12 September 2018

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**Committee on Agriculture**

**POINTS RAISED BY MEMBERS UNDER THE REVIEW PROCESS**

**COMPILATION OF QUESTIONS FOR THE MEETING ON 25-26 SEPTEMBER 2018<sup>1</sup>**

The present document compiles questions received by the Secretariat by the deadline of 11 September as specified in WTO/AIR/AG/29.

The following table lists questions raised during the Committee on Agriculture (CoA) meetings on 20 February 2018 and 11-12 June 2018 where the Secretariat has not received responses. The list reflects the situation regarding outstanding responses as of 13 September.

ID	Answer by	Question by	Reference	Repeat question
86005	India	Australia	I. Article 18.6	
86006	India	Australia	I. Article 18.6	
86065 <sup>2</sup>	India	Canada	I. Article 18.6	
86066	India	European Union	I. Article 18.6	
86074	India	Canada	I. Article 18.6	
86048	Indonesia	United States of America	I. Article 18.6	
86049	Suriname	United States of America	I. Article 18.6	
86106	Thailand	European Union	I. Article 18.6	85039
86029	Turkey	Russian Federation	I. Article 18.6	
86084 <sup>3</sup>	United States of America	Canada	I. Article 18.6	
86055	Iceland	United States of America	G/AG/N/ISL/41	
86093	Iceland	Canada	G/AG/N/ISL/41	
86044	Iceland	Thailand	G/AG/N/ISL/41	
86013	Iceland	Australia	G/AG/N/ISL/41	
86078	Mali	European Union	II. Deferred replies to questions on notifications I. Article 18.6	85001
87079, 87161 and 87162	India <sup>4</sup>	Australia, Brazil, Thailand	I. Article 18.6	
87074	India	Canada	I. Article 18.6	
87019	Indonesia	United States of America	I. Article 18.6	
87094	Mongolia	Russian Federation	I. Article 18.6	
87041, 87040	Tunisia	United States of America	G/AG/N/TUN/52	
87054	Indonesia	United States of America	Annual dedicated discussion on export competition	

<sup>1</sup> This document has been prepared under the Secretariat's own responsibility and is without prejudice to the positions of Members or to their rights and obligations under the WTO.

<sup>2</sup> India answered part of the question and will provide a full response at a later stage.

<sup>3</sup> United States answered part of the question and will provide a full response at a later stage.

<sup>4</sup> India answered part of the question and will provide a full response at a later stage.

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## **1 MATTERS RELEVANT TO THE IMPLEMENTATION OF COMMITMENTS: ARTICLE 18.6**

### **1.1 China's premium contributions for rice, corn and wheat seeds**

#### **1.1.1 Question by Canada (AG-IMS ID 88102)**

Canada notes that the Ministry of Finance of the People's Republic of China issued a notice on 31 July 2018

([http://jrs.mof.gov.cn/zhengwuxinxi/zhengcefabu/201808/t20180809\\_2984104.html](http://jrs.mof.gov.cn/zhengwuxinxi/zhengcefabu/201808/t20180809_2984104.html)) regarding an expansion in the government premium contributions for rice, corn, and wheat seeds.

- a. Could China clarify if this new premium subsidy would apply to seed purchased by producers for sowing?
- b. The notice indicates that the crops (rice, corn or wheat) grown from these seeds would also be covered for loss of production or quality by this insurance product. Could China elaborate if this new premium subsidy also covers the crop losses related to the production of seeds for rice, corn and wheat?
- c. Could China indicate which government department administers this insurance programme?
- d. Could China provide the government's share of the premium for this insurance programme and the expenditures to date?

### **1.2 EU's CAP reform**

#### **1.2.1 Question by New Zealand (AG-IMS ID 88062)**

New Zealand acknowledges the positive emphasis the European Union is placing in reform of its Common Agricultural Policy (CAP) on improving environmental outcomes, and refers to the European Commission proposal published on 1 June for the next CAP period from 2021 that would shift greater responsibility for agriculture policy from the European Union to member States through the establishment of national "strategic plans".

- a. How will the Commission ensure member States' compliance with WTO commitments in the implementation of their strategic plans after they have been approved?

New Zealand is concerned that under the proposal, member States will continue to be able to provide coupled support.

- b. What mechanism will the European Union establish to ensure such support does not distort markets?

New Zealand is disappointed to see that public intervention is proposed to continue being available to member States to consider in their strategic plans. Following the experience of EU intervention in the skim milk powder market, and the continued years of uncertainty this has caused in the market, why does this feature in the proposal and how would the European Union prevent market distortion and uncertainty under the next CAP period?

### **1.3 India's skim milk powder export subsidies**

#### **1.3.1 Question by Australia (AG-IMS ID 88122) and New Zealand (AG-IMS ID 88037)**

New Zealand understands that the state government of Gujarat is implementing a provision of up to USD 44 million to support the Gujarat Milk Marketing Federation to export 60,000 tonnes of skim milk powder. This funding will subsidise the export of Indian skim milk powder and significantly impact international trade of skim milk powder.

- a. What is the scope and nature of the state of Gujarat's recently announced support skim milk powder export; including for example the eligibility for receiving payments, the criteria for making payments and how this scheme will be implemented?

- b. What is India's position on how the state of Gujarat's provision of skim milk powder export subsidies is consistent with the elimination of export subsidies through the MC10 Export Competition Ministerial Decision?

### **1.3.2 Question by European Union (AG-IMS ID 88040)**

The Gujarat government announced in the month of July 2018 the equivalent of USD 43.5 million in export support for Gujarat Milk Marketing Federation (Amul) to export 60,000 tonnes of skim milk powder over the following six months to clear their 110,000 tonnes of stocks. This subsidy (Rupee 50/kg) is equivalent to around USD 725/tonne (at the time of the announcement), or more than 35% of the value of the product (measured either in percentage of world market price for skim milk powder or internal Indian market prices for skim milk powder).

- a. Can India please confirm that this support has been decided on and granted by the Gujarat government?
- b. Can India indicate how much of the intended 60,000 tonnes have been exported up to and including 31 August 2018?
- c. How does India intend to notify this export subsidy to WTO considering in particular that India has no scheduled entitlements for export subsidies?
- d. How does India see this export subsidy to be in line with the Bali and Nairobi Ministerial Decisions, which require WTO Members to show the utmost restraint in applying export subsidies?

### **1.3.3 Question by United States of America (AG-IMS ID 88070)**

India has reportedly approved a subsidy of 10% to the export price of dairy products, in particular skimmed milk powder (SMP). Noting that India does not have any scheduled export subsidy entitlements:

- a. Please explain how this measure is implemented and provide any eligibility criteria.
- b. In addition, please provide the legislation and/or decision(s) for making this export subsidy available. If not available now, when will these documents be made available?
- c. Please explain how this is consistent with India's commitments under Article 9 of the Agreement on Agriculture?

In addition to the Indian government's subsidy noted above, the Indian states of Gujarat and Maharashtra (India's leading milk producers) have also reportedly approved subsidies for the export of milk and milk powder to help address growing stocks.

- d. Please explain how these measures are implemented and provide any eligibility criteria.
- e. In addition, please provide the legislation and/or decision(s) for making these export subsidies available. If not available now, when will these documents be made available?
- f. Please explain how this is consistent with India's commitments under Article 9 of the Agreement on Agriculture?

## **1.4 India's proposed domestic support programmes**

### **1.4.1 Question by European Union (AG-IMS ID 88041)**

In the draft National Agricultural Export Policy published by the Department of Commerce and Industry of the Government of India, it is stated that by 2022 there is "the vision to double farmer's income" which "would require a series of interventions to improve production and productivity along with economizing the cost of production".

- a. Can India explain whether this doubling concerns per average farm income?
- b. Can India explain more in detail which type of instruments will be used to reach this goal, and how it will be ensured that these measures will not lead to increase in trade distorting support?
- c. Does India intend to use Green Box support to this end?

## **1.5 Republic of Korea's support for seaweed producers**

### **1.5.1 Question by China (AG-IMS ID 88034)**

China notes that the Korean government made tremendous efforts in recent years to promote the development of the seaweed industry, including the support for production of seaweed and the purchase of processing facilities. These supports effectively enhanced the competitiveness and expanded the export of edible seaweed. With strong interests in having better understanding about the seaweed industry of the Republic of Korea and the lack of information on relevant support schemes, since the information is currently not available in the Domestic Support notification by the Republic of Korea, China would like to raise the questions as follow:

- a. China learn that an export fund has been set up for providing investment aid to newly established enterprises, as well as support for marketing and promotion. Can you please confirm whether there are such supports? If so, please provide the support programmes and the relevant expenditures.
- b. China also learned that export finance and export insurance are available for seaweed producers with a view to mitigate the adverse impact of various risks. If this is the case, could you please provide the amount of export finance or export insurance provided by export destination?
- c. It is reported that a plan of providing WON 133 billion support for the "popular fishery products" and WON 21.7 billion support for purchasing processing facilities has been made. Can you clarify whether the supports are also available for seaweed producers?

## **1.6 Russian Federation's modification of excise taxes on wine**

### **1.6.1 Question by European Union (AG-IMS ID 88031)**

The European Union welcomes the proposals from the Ministry of Finance on the modification of excise taxes on wine, as submitted for discussion to Duma whereby imported and locally produced wine will be subject to the same excise taxes.

- a. Could the Russian Federation update WTO Members on the state of play of this discussion and on the procedure for further proceedings?

At the same time, an article in Izvestia (of 23 July 2018) states that the Ministry of Agriculture submitted to the First Deputy PM Siluanov a draft plan on introducing certain new fiscal measures and increasing subsidies to the wine sector.

- b. Could the Russian Federation please give us some further details on this plan including a timeframe for its adoption?

## **1.7 Thailand's import licensing for meat**

### **1.7.1 Question by United States of America (AG-IMS ID 88075)**

Thailand imposes food safety inspection fees on all importers in the form of import permit fees on all shipments of uncooled meat, poultry and meat offal. These fees are significantly higher than the corresponding domestic slaughtering fees for the same products and appear disproportionate to the cost of services rendered.



- a. What services are covered by the import permit fees and how are these calculated?
- b. What services are covered by the domestic slaughtering fees and how are these calculated?
- c. Can Thailand please provide an official response with a detailed cost breakdown, method of calculation, and list of services provided for both the import permit fees for food safety inspection as well as its domestic slaughtering fees?
- d. In the absence of information supporting the exact calculation of and the services associated with these fees, Thailand's fee structure for import permit fees for food safety inspection and domestic slaughtering fees raises national treatment concerns including the pursuant to the principle that prohibits discrimination between imported and domestically produced goods.
- e. What is Thailand's justification for the discrepancy between import permit fees and domestic slaughtering fees?

## **1.8 Turkey's export subsidies**

### **1.8.1 Question by European Union (AG-IMS ID 88059)**

Following a decision by Money Credit Coordination Board in the Official Gazette No 30389 on 12 April 2018, Turkey published a list of products receiving export subsidies and the "export return amount". The products listed were poultry meat, eggs, honey, flowers, vegetables and dried vegetables.

- a. Can Turkey please detail the quantities that have received export subsidies for each product group up to and including 31 August 2018?
- b. Can Turkey please inform WTO Members about the amounts of Turkish Lira committed up to and included 31 August 2018?
- c. When and how does Turkey intend to notify these export subsidies to WTO considering in particular that, in accordance with the Nairobi decision on Export Competition, Turkey shall eliminate export subsidies by the end of 2018?
- d. Several concerned products (such as fruits or stoned fruits or sausages) seem not to be covered by Turkey's entitlements. How does Turkey envisage to notify these export subsidies?
- e. Can Turkey explain how it sees this measure to be in line with the Bali and Nairobi Ministerial Decisions, which require WTO Members to show the utmost restraint in applying export subsidies?
- f. When does Turkey intend to forward its revised scheduled for implementing the Nairobi Ministerial Decision which obliges developing countries to eliminate export subsidy commitments by the end of 2018?

## **1.9 U.S. proposed domestic support measures**

### **1.9.1 Question by Australia (AG-IMS ID 88030)**

With reference to the 24 July announcement by the United States of up to USD 12 billion in assistance to farmers impacted by trade retaliation measures, Australia would appreciate clarification from the United States as to:

- a. When it intends to notify these new programmes to the WTO?

- b. How each of the programmes (Market Facilitation; Food Purchase and Distribution; and Agricultural Trade Program) will be classified under the WTO Agreement on Agriculture?
- c. How the United States intends to ensure the package adheres to WTO limits for domestic support in agriculture? (US domestic support is capped at USD 19 billion)?

We note comments by US officials that the package is intended as a one-time, short-term assistance package to assist farmers affected by "unfair" treatment by the US' trading partners while the United States Administration works to secure better long-term trade deals.

- d. Given the assistance became available on 4 September, Australia is interested in how long the assistance will be available for i.e. is it time limited?

Noting that USD 6 billion has initially been made available to farmers, Australia would appreciate clarification as to:

- e. What triggers the USDA will consider for rolling out the second half of the assistance package (valued at USD 12 billion)?
- f. Whether it is envisaged the second tranche of assistance will be made available under the same programmes as the first tranche?
- g. Whether the increasing/decreasing tensions might result in incremental increases/decreases in assistance amounts?

Under the Market Facilitation Program, Australia understands payment rates for each commodity are based on the severity of trade disruption and that payments will be calculated by multiplying 50% of the producer's total 2018 actual production by the applicable rate.

- h. Australia is interested in how the USDA developed this formula?
- i. Was consideration given to calculating average production and market rates over three years (for example) given production levels and market prices may fluctuate from year to year?
- j. What is the basis for using historical data (2011, 2012, 2013) to establish dairy production figures?

Australia would appreciate if the United States could explain how the United States will monitor/prevent payments being made in excess of the actual tariffs imposed under the Market Facilitation Program Formula.

- k. For example, if actual additional tariffs on soybeans to China equal USD 3 billion and approximately USD 3.6 billion is paid to soybean producers for 50% of their production, how does the United States intend to manage this and how would a further equal payment be justified under the purpose of the programme to offset the new tariffs?

Australia notes the assistance package is in place in response to trade damage.

- l. Australia would appreciate if the United States can clarify the basis for payments where there is no impact on trade if product is redirected to other markets and no significant trade damage is incurred?

### **1.9.2 Question by Canada (AG-IMS ID 88098)**

#### Market Facilitation Program

Canada notes that on 24 July 2018, Press Release No. 0151.18 from the U.S. Department of Agriculture (USDA) indicated that the USDA will authorize up to USD 12 billion in programmes to assist farmers. Further details were provided on the Trade Mitigation Programs in subsequent USDA

press releases on August 27, 2018 (Press Release No. 0167.18) and most recently on 4 September 2018 (Press release No. 017218). Canada notes that the payments will be structured through the Market Facilitation Program (USD 4,696 million), the Food and Distribution Program (USD 1,239 million) and the Agricultural Trade Promotion Program (USD 200 million). The estimated payments represent USD 6,135 million. The Market Facilitation Program will provide direct payments to producers of cotton, corn, fluid milk, pork, soybeans, sorghum and wheat.

- a. Has the United States assessed and estimated how these payment(s) would affect the level of production and prices for these products? If so, could the United States share details about those estimates?
- b. Does the United States anticipate that additional products will be covered? If so, which ones?

Canada notes that the product specific AMS for cotton, corn, fluid milk, pork (livestock), soybeans, sorghum and wheat notified in 2015 (G/AG/N/USA/121) totals USD 6.2 billion.

- c. Could the United States confirm whether U.S. producers benefiting from this product specific support will also be eligible for payments under other risk management programmes including the Price Loss Coverage programme and Agricultural Risk Coverage programme?

Canada notes that the "payment rate will be dependent upon the severity of the trade disruption and the period of adjustment to new trade patterns, based on each producer's actual production".

- d. Could the United States provide further details on the metrics of how the Initial Payment Rate was calculated for cotton, corn, fluid milk, pork, soybeans, sorghum and wheat?

#### Agricultural Trade Promotion Program

The Agricultural Trade Promotion (ATP) Program is intended to help "U.S. agricultural exporters identify and access new markets and help to mitigate the adverse effects of other countries' restrictions".

- e. Could the United States elaborate on the "adverse effects of other countries' restrictions" envisioned in the ATP Program?
- f. Could the United States confirm that this USD 200 million fund will not be used to subsidize the export of U.S. products to international markets?

#### **1.9.3 Question by European Union (AG-IMS ID 88029)**

The US Department for Agriculture announced details on the proposed aid for farmers negatively impacted by retaliatory tariffs.

- a. Can the US give more detail on its proposed new aid programme for farmers including the specific criteria how prices for purchasing surplus crops and support levels for crops were determined. Which criteria were used to determine the different crops/products?
- b. What safeguards are taken to limit trade distorting impact on global markets?
- c. Can the US give an indication of when and how they intend to notify these measures including the relevant notification period or periods? Will a second "instalment" be notified separately?

#### **1.9.4 Question by India (AG-IMS ID 88047)**

The United States has announced USD 12 billion package to help farmers who are hit by retaliatory tariffs. It is claimed that this package will assist agricultural producers to meet the costs of disrupted markets. The United States is requested to provide the following information:

- a. What agricultural products would be covered under this package?
- b. How does the USA intend to classify this expenditure under the domestic support provisions of the Agreement on Agriculture?
- c. It is also reported that the USA will tap federal food purchase and distribution programmes to buy surplus commodities to help the farmers. What products would be covered under such public stockholding programmes?

#### **1.9.5 Question by Japan (AG-IMS ID 88028)**

- a. USDA announced an assistance programme for farmers impacted by unjustified retaliation on 27<sup>th</sup> August this year. Regarding Market Facilitation programme, USDA announced that 50% of the producer's total production will be covered for the payment. However, if the payment doesn't cover production loss caused by an inability to export but cover total production in the end, it might cause an excessive production support. Could United States confirm this programme is not aimed at covering production loss caused by an inability to export?
- b. Regarding "Food purchase and distribution programme" in the assistance programme for farmers publicized by USDA on 27<sup>th</sup> August this year, it is announced to distribute commodities through TEEAP (The Emergency Food Assistant Program) or Child nutrition programme. Could United States provide further details available at this moment regarding how commodities are purchased and what the purchase price is?

#### **1.9.6 Question by New Zealand (AG-IMS ID 88048)**

New Zealand refers to the announcement made on 24 July 2018, by US Secretary of Agriculture Sonny Perdue, about the USD 12 billion farmer relief package comprising direct payments to offset the impacts of retaliatory tariffs on markets and assistance for trade promotion activities as well as additional announcements made on 27 August, 4 September.

New Zealand is concerned about the quantum of the USD 12 billion announcement; and that it risks taking the United States close to its AMS limit of USD 19.1 billion.

- a. Can the United States confirm that this is a one-off payment and will not extend into future years?
- b. Can the United States provide more detail about the compensation schemes, in particular the criteria and conditions attached to disbursement of funds?

#### **1.10 Zimbabwe's export incentive**

##### **1.10.1 Question by United States of America (AG-IMS ID 88076)**

The United States understands the government of Zimbabwe's Reserve Bank of Zimbabwe (which is the central bank) is providing tobacco growers a performance export bonus as an incentive to grow the country's production and increase exports. For the 2018 marketing season, the central bank, has increased the export incentive from 5% to 12% and up to 17.5% for top exporters.

- a. Please explain these agriculture support measures implemented by Zimbabwe's central bank during the marketing periods 2017 and 2018.
- b. What is the legal basis under the Agreement on Agriculture and the Nairobi Decision that allows for this kind of agriculture support measure?

### **1.11 Canada's New Milk Ingredient Class**

#### **1.11.1 Question by Australia (AG-IMS ID 88120) and New Zealand (AG-IMS ID 88064)**

Canada's response to the US question at the 87<sup>th</sup> Committee on Agriculture (AG IMS 87065) stated that Ontario had not yet "notified any amendment to milk class 6 through Regulation 753: Grades, Standards, Designations, Classes Packing and Marking of the Milk Act of 1990". Can Canada confirm that such an amendment to the Regulation has since been notified, in effect revoking Class 6?

#### **1.11.2 Question by Australia (AG-IMS ID 88121) and New Zealand (AG-IMS ID 88065)**

New Zealand notes Canada's response at the 87<sup>th</sup> Committee on Agriculture (AG IMS 87064) with respect to the availability of data available as to the volumes of milk components produced and utilised under each milk class, including Class 7. This information was removed from the Canadian Dairy Information Centre in August 2017 because it was "not comparable to past data". Canada has said an updated reporting system is being developed, but, despite a full year passing since New Zealand first raised this issue, has not been able to say when this will occur. Accordingly, we once again ask for this information. This would enhance transparency in respect of the operation of Class 7.

#### **1.11.3 Question by United States of America (AG-IMS ID 88061)**

- a. Please provide an update on the National Centralized Registration System and the Provincial Billing Mechanism Certification Program. In AG-IMS ID 87015, Canada states that some outstanding elements are still being discussed by industry stakeholders which has prevented the implementation of the programmes.

What outstanding elements are still being discussed? Does Canada have a target timeline?

- b. Has Class 6 been revoked in Ontario? If so, please provide a copy of the documentation or measure revoking Class 6. If not, does Ontario have a timeline for revoking Class 6 now that Class 7 is being used across Canada?
- c. Please provide monthly milk component (i.e., butterfat, proteins, other solids) prices and monthly volumes of milk components utilized (for Class 7 and also total utilization for all classes), specifically at the provincial levels.

If this information is still not available, please provide an update on when and where this information will become available.

- d. As the most recent study on Canadian dairy processor margins was conducted in 2005, when does the Canadian Dairy Commission plan to update that research?
- e. Please explain the mechanism used by provincial milk boards to develop the milk component prices in each of the milk price classes.
- f. Canada states in response to AG-IMS ID 86033: "As of 1 February 2017, the Canadian Dairy Commission no longer purchased skim milk powder under either the Canadian Dairy Commission's domestic seasonality or the surplus removal programme."

Please explain why the CDC ceased purchasing of skim milk powder under these programmes?

### **1.12 Canada's wine sale policy**

#### **1.12.1 Question by United States of America (AG-IMS ID 88096)**

Canada has not yet responded to the questions posed by the United States in AG-IMS ID 85012, AG-IMS ID 86034, and AG-IMS ID 87016. As such, the United States repeats its previous questions.

- a. In AG-IMS ID 84105, Canada states that "The LCBO will consider making wines from Vintages Essentials, a sub-category of Vintages comprising products that are continuously available, available to grocers by moving them to the LCBO Wines category."
  - i. Are Ontario and/or Canadian wines that are on the Vintages Essential list allowed to be sold in grocery stores?
  - ii. Would Ontario and/or Canadian wines that are on the Vintages Essential list need to move to the LCBO Wine category (and off of the Vintages Essential list) in order to be sold in grocery stores?
  - iii. If Ontario and/or Canadian wines are allowed to be sold in grocery stores without moving off the Vintages Essential list to the LBCO Wines category, but imported products are not, what is the policy justification?
- b. In the implementation of Ontario Regulation 232/16, how many restricted beer and wine authorizations and other beer and wine authorizations have been distributed to operators of grocery stores in Ontario?
- c. In the implementation of Ontario Regulation 232/16, how many authorizations have been distributed for a "wine boutique sales agent" (a single authorization that permits the operator of a grocery store to sell, as agent of a winery that operates a wine boutique inside the store, wine offered for sale in the boutique)?
- d. What is the rationale for the Liquor Control Board of Ontario (LCBO) product call that Canada provided in AG-IMS ID 82002 specifying different retail price parameters and size parameters for imported bag in box wine than for the category of existing Ontario bag in box wine? (<http://www.doingbusinesswithlcbo.com/tro/Forms-Documents/LettersToTheTrade/Downloads/LCBO%20Wines%20Bag%20in%20Box%20Tender.pdf>)
- e. Would Canada please confirm imported bag in box wine is limited to 4 stock keeping units (SKUs) in LCBO stores while Ontario bag in box wine is limited to 40 SKUs? If confirmed, please explain the rationale for this split between imported and Ontario products.
- f. According to Canada's STE notification (G/STR/N/16/CAN), Nova Scotia applies mark-ups to commercial wines that have been bottled in the province differently than commercial wine that have been bottled outside the province. Specifically, commercial wines that are bottled in Nova Scotia are afforded a mark-up reduction of 20 percentage points (from 140% to 120%).
  - i. Would Canada make available the Nova Scotia Liquor Corporation documents setting out mark-ups for commercial wines bottled in the province and bottled outside the province?
  - ii. Given that only commercial wines bottled in Nova Scotia would appear to qualify for this benefit, could Canada please explain how this policy ensures non-discrimination against foreign products?
- g. The Nova Scotia Liquor Corporation maintains a preferential mark-up for Emerging Wine Regions (currently 43%). How does a producer from an emerging wine region, as defined by the NSLC, apply for recognition of their emerging wine region status?  
  
Please provide a list of non-Canadian Emerging Wine Region wines available for sale through the NLSC.

### 1.13 European Union's sugar policies

#### 1.13.1 Question by Australia (AG-IMS ID 88063)

Australia welcomes the withdrawal of EU sugar production quotas a year ago. Removal of the quota should allow EU production to better adjust to global market price signals and global market demand. Although, the EU maintains ongoing substantial domestic support in the form of direct payments through the EU Voluntary Coupled Support (VCS) and EU Basic Payment System (BPS).

- a. Can the European Union explain how long the current levels of domestic support will continue following the removal of sugar production quotas?
- b. How is the European Union ensuring its domestic support and subsequent overproduction does not negatively impact global sugar markets and trade?

#### **1.14 United Kingdom - Modification of agricultural schedule of commitments**

##### **1.14.1 Question by India (AG-IMS ID 88011)**

India would like to reiterate Indonesia's question AG-IMS ID 83069 from the 83<sup>rd</sup> Committee on Agriculture meeting for the European Union:

After United Kingdom's decision to leave the European Union, it is understood that there will be a renegotiation on UK's Schedule of Commitments (SOC).

- a. How would the Generalized Scheme of Preference (GSP) granting procedure be for developing countries?
- b. How would UK's Customs Procedure, including the arrangement of Tariff Rate Quota (TRQ) Policy be for the agricultural products?

#### **1.15 India's sugar policies**

##### **1.15.1 Question by Australia (AG-IMS ID 88039)**

Further to Australia's previous questions to India during the June 2018 meeting (AG-IMS ID 87079) regarding the sugar measures implemented by India, Australia has a series of follow-up questions, noting that India has not answered all of Australia's previous questions.

India's Directorate General of Foreign Trade Notification No. 57/2015-2020 on 28 March 2018 announced the Duty-Free Import Authorisation (DFIA) scheme allowing import duties on future sugar imports to be waived until September 2021 for sugar millers that export sugar this crushing season (2017/18).

- a. Can India provide data on the value and volume of exports of sugar under the DFIA scheme since it was announced on 28 March 2018?
- b. Given India does not have any scheduled export subsidy entitlements, can India explain the consistency of allowing future import duties on sugar to be waived contingent on exports of sugar this crushing season with India's commitments under Article 9 of the Agreement on Agriculture?

##### **1.15.2 Question by Australia (AG-IMS ID 88043)**

Further to Australia's previous questions to India during the June 2018 meeting (AG-IMS ID 87079) regarding the sugar measures implemented by India, Australia has a series of follow-up questions, noting that India has not answered all of Australia's previous questions.

Australia notes media reports<sup>1</sup> that the "Minimum Indicative Export Quota" (MIEQ) has been extended until December 2018. The same media report states that Indian exporters have been able to export only 400,000 tonnes and in May and June 2018, mills would have had to lose Rs. 7-8 a kilogram on export; this loss would now be Rs. 10.5-11.5 a kilogram. Australia also notes that the USDA Foreign Agricultural Service report (Sugar: World Markets and Trade) May 2018 states that "India's production is forecast to rise 1.4 million tonnes to a record 33.8 million... Exports are forecast to triple to 6.0 million tonnes since it is expected that sugar mills will reduce record surplus".

<sup>1</sup> [https://www.business-standard.com/article/markets/after-lack-of-orders-govt-extends-sugar-export-quota-date-to-december-end-118082301090\\_1.html](https://www.business-standard.com/article/markets/after-lack-of-orders-govt-extends-sugar-export-quota-date-to-december-end-118082301090_1.html)



- a. Australia requests India confirm the volume of sugar that was exported under the MIEQ to date, and confirm whether the MIEQ can be extended until the end of 2018.
- b. As part of India's previous answers to Australia's questions in the June 2018 meeting, India said "the domestic price is almost 20% to 30% higher than the international price and therefore it is expected, that in the present circumstances, negligible exports will take place under the scheme":
  - i. Does India believe that 400,000 tonnes are negligible and had no impact on the world sugar market?
  - ii. given the loss faced by mills to export sugar, why would the Government of India consider extending the MIEQ in the absence of financial incentives?
- c. Given the record production and surplus, and gap between domestic and international sugar prices, how is India going to make future sugar exports financially viable?

Can India explain how the series of measures to address the overproduction and growing stockpile of sugar are economically and financially sustainable in the medium to long term?

### 1.15.3 Question by Australia (AG-IMS ID 88046)

Further to Australia's previous questions to India during the June 2018 meeting (AG-IMS ID 87079) regarding the sugar measures implemented by India, Australia has a series of follow-up questions, noting that India has not answered all of Australia's previous questions.

- a. Australia requests India confirm the volume of sugarcane that has received the financial assistance of Rs. 55/tonne of cane crushed since the announcement of the scheme for "Assistance to sugar mills" on 2 May 2018.
- b. Can India explain whether the eligibility criteria for the financial assistance, which includes mills needing to "have fully complied with all the orders/directive of the Department of Food and Public Distribution (DFPD) to the sugar mills during 2017-18 sugar season", requires sugar mills meet the prescribed quantities of sugar under the export quota in Annexure-A to the 'Minimum Indicative Export Quota'?
- c. Can India confirm whether financial assistance has been withheld from sugar mills for not exporting the prescribed quantities under the MIEQ?

Australia notes the Government of India announced on 6 June 2018 a further package of measures to support India's sugar industry worth Rs. 7,000 crore (USD 975 million). This include the creation of a buffer stock of 3 million tonnes of sugar, fixing a minimum selling price of white/refined sugar at Rs. 29/kg, and soft loans to sugar mills to setup new distilleries and boilers to enhance ethanol production capacity.

- d. Can India explain how it intends to notify the value of the measures in future WTO domestic support notifications, in particular the fixing of a minimum selling price of white/refined sugar?
- e. How does India intend to dispose of the three million tonnes buffer stock to ensure it does not impact the world sugar market?
- f. How is India ensuring the suite of financial assistance and measures announced over the course of 2018 are within India's domestic support entitlements (i.e. within *de minimis* entitlements)?

### 1.15.4 Question by Australia (AG-IMS ID 88042)

Australia notes that India has been providing market price support (MPS) for sugarcane through the Fair and Remunerative Price (FRP). The Government of India announced an increased in the FRP for sugarcane for the 2018-19 sugar season at Rs. 275/quintal at 10% recovery, which is 2.45% higher



than the FRP for current sugar season 2017- 18<sup>1</sup>. The MPS for sugarcane is a long running measure, which we note has been increasing and nearly doubled since 2011/12 from Rs. 145/quintal.

- a. Can India explain how it reconciles increasing the FRP for sugarcane that encourages greater sugarcane production at a time when there are record sugar stocks and India is taking measures to dispose of the surplus?
- b. Can India explain why it notified an applied administered price and eligible production for sugarcane (with market price support of USD 184 million) in its domestic support notification for 1995/96 (G/AG/N/IND/1), but it has not notified any domestic support for sugarcane in subsequent domestic support notifications?
- c. Can India explain why it has not notified the FRP as an applied administered price for market price support for sugarcane?
- d. Can India provide the value and volume of sugarcane production in each state in India that received the FRP?
- e. Has India considered that the high level of FRP and MPS may be leading to overproduction resulting in the need to provide financial assistance and measures incentivising sugar exports?
- f. Has India considered removing the FRP and MPS for sugarcane and moving to less trade and production distorting forms of domestic support?

Australia notes that in addition to the FRP, some Indian state governments announced a 'State Advised Price' (SAP). According to the 'Price Policy for Sugarcane – 2018-19 Sugar Season<sup>2</sup>', the SAP is much higher than the FRP. This creates a distortion in the industry because SAP is neither linked to sugar recovery nor it takes into account domestic and global prices and other relevant parameters. In case, where the state governments decide to continue with SAP the difference between SAP and FRP should be paid by the state government directly to farmers.'

- g. Can India provide the details of the SAP for each state and provide the value and volume of sugarcane production in each state in India that received the SAP?
- h. Can India explain why it has not notified the SAP payments in its domestic support notifications, particularly given 'it creates a distortion in the industry'?

## 1.16 India's pulses policies

### 1.16.1 Question by Australia (AG-IMS ID 88060)

Further to Australia's previous questions to India during the June 2018 meeting (AG-IMS ID 87072 and AG-IMS ID 87075) regarding the various measures relating to pulses implemented by India, Australia has a series of follow-up questions, noting that India has not answered all of Australia's previous questions.

Regarding India's quantitative restrictions (QR) of 100,000 tonnes of peas in Notification No. 4/2015-2020 of 25 April 2018 for a period of three months (1 April to 30 June 2018):

- a. Australia requests India confirm the volume of peas that has been imported under the QR during the initial 3-month period. Was the QR fully utilised by 30 June 2018? If so, on what date was the QR fully utilised?

<sup>1</sup> <http://pib.nic.in/PressReleaseIframePage.aspx?PRID=1540860>.

<sup>2</sup> Issued by the Commission for Agricultural Costs and Prices, Ministry of Agriculture and Farmers Welfare, Government of India – August 2017  
<http://cacp.dacnet.nic.in/ViewQuestionare.aspx?Input=2&DocId=1&PageId=41&KeyId=622>.

- b. Australia notes that India extended the QR on 2 July 2018 in Notification No.15/2015-2020 for a further three months until 30 September 2018.
  - i. Can India confirm whether any additional volume was included as part of the extension of the QR?
  - ii. No additional volume was included as part of the extension of the QR, and the initial QR was fully utilised by 30 June: can India confirm that it has effectively implemented an import ban for peas from 1 July to 30 September?
- c. Is India intending to extend the QR for a second time following 30 September? If so, will additional volume be included? How much advance notice is India intending to provide exporters and importers of the possible change in policy?

In response to Australia's previous questions in the June 2018 meeting, India said 'it was noticed that mere increase in import tariffs of pulses was not sufficient in case of certain pulses. Therefore, government imposed quantitative restrictions on pulses such as Tur (pigeon pea), Moong (beans of species of *Vigna radiate*) and Urad (beans of the species of *Vigna mungo*) and dry peas in order to protect our small and marginal farmers.'

- d. Australia requests India confirm the status of the quantitative restrictions (QRs) on tur, moong and urad, including the volume of each pulse imported under each QRs.
- e. Australia notes that India stated that 'increase in import tariffs of pulses was not sufficient in case of certain pulses. Therefore, government imposed quantitative restrictions'
  - i. Can India confirm whether it first utilised WTO consistent measures such as increasing its applied tariffs on pulses to India's WTO bound levels before implementing WTO in-consistent measures such as QRs?
  - ii. If India did not consider this option, can India explain why?

Despite India reassuring WTO Members that the Quantitative Restrictions (QR) introduced in August 2017 were only 'temporary', India renewed the quantitative restriction on mung beans and black lentils on 4 May 2018 in Notification No. 6/2015-2020.

- f. Given these QRs have been in force for over 12 months, does India still believe these measures are 'temporary'? What timeframe does India consider as 'temporary' for such measures? When does India intend to cancel these 'temporary' measures?

As is well known to India, Australia and a number of WTO Members have raised concerns about the WTO-consistency of the quantitative restrictions in numerous WTO Committees, and Australia has raised concerns over the course of a series of bilateral representations. Regardless of all these efforts to understand the legal basis for the QRs, India has not engaged to provide such an explanation.

- g. While India has stated the QRs are temporary, Australia requests India explain the WTO legal basis for such temporary measures.

Are the measures maintained for the protection of human health or safety; animal or plant life or health; security, the environment, or some other basis?

If India is relying on GATT Article XX (General Exceptions) for its quantitative restrictions, can India explicitly state which paragraph in Article XX it is relying on for its quantitative restrictions?

#### 1.16.2 Question by Canada (AG-IMS ID 88092)

Canada would like to reiterate its question (AG-IMS ID 87074) raised during the 87<sup>th</sup> Committee on Agriculture for India's previous notification (G/AG/N/IND/12) regarding the export and domestic sale of pulses (urad, moong, tur, masoor, channa) through e-auctions. Could India please indicate when it will provide an answer to question AG-IMS ID 87074?

Canada notes that between December 2016 and May 2018, the Food Corporation of India (FCI) has posted on its website multiple contract notes for the sale of pulses (urad, moong, tar, masoor, channa) through e-auctions.

Could India please elaborate if there were successful bidders in each of these e-auctions and could India advise if these pulses were exported or released onto the domestic market? How does the FCI take into account commercial considerations so that these volumes of pulses do not disrupt commercial markets?

### 1.16.3 Question by Canada (AG-IMS ID 88095)

The table below list procurement by India of pulses reported in the Commission for Agricultural Costs and Prices annual reports between 2012-13 to 2016-17.

**Table.1 - Government Procurement (NAFED, FCI, SFAC) of Pulses in metric tonne, 2012-13 to 2016-17**

Season	Pulse Year	2012-13	2013-14	2014-15	2015-16	2016-17
Kharif	Arhar/Tur	16,558	92,859	1,543	45,532	1,166,045
	Moong	322	243	0	0	219,848
	Urad	84,686	12,108	0	4,892	88,582
Rabi	Gram	3,555	40,238	364,207	24,193	56,291
	Masur/Lentil	1,770	0	0	1,018	8,556
Total	Total	106,891	145,448	365,750	75,634	1,539,321

Sources: Commission for Agricultural Costs and Prices - Rabi Crops 2017-2018 &  
Commission for Agricultural Costs and Prices - Kharif Crops 2018-2019

Canada noticed that the total amount purchased by the government of India in the Commission for Agricultural Costs and Prices annual reports differs from the quantities reported in India domestic support notifications.

- Could India explain the difference between the quantities notified and the quantities reported in the Commission for Agricultural Costs and Prices annual reports?
- Could India indicate at what price all quantities reported by the Commission for Agricultural Costs and Prices annual reports were procured?
- Could India explain their methodology on including or excluding quantities procured by its different agencies?
- Are NAFED and FCI allowed to buy Pulses from every state in India?
- Could India please indicate if NAFED and FCI have pre-set limit or other conditions on the amount of production that could be procured from farmers using the MSPs? If so, what are the pre-set limits or conditions on the volume of production that could be procured?

On 29 August 2018, the India Director General of Foreign Trade issued a notification withdrawing the import restrictions on dry peas in effect until 30 September 2018. On 30 August 2018, the Director General of Foreign Trade issued a new notification under the authority of the Ministry of Commerce and Industry, indicating the import restriction on dry peas will continue until 30 September 2018.

- Could India indicate if the import restrictions on dry peas will expire after September 30?

In its answers to Canada AG-IMS ID 87071, India indicated that "the decision for imposition of quota was based on the domestic demand and supply situation of pulses in India". It was also noted that "mere increase in import tariffs of pulses was not sufficient in case of certain pulses" and that "the wholesale price index (WPI) for pulses in the country has come down from 205.2 (December 2016)

to 134.2 (December 2017) and further declined to 120.8 (April 2018) showing a sharp decline during this period".

- g. Could India provide the wholesale price level index for pulses of the last months available after April 2018?
- h. Could India indicate if the import restriction on dry peas was successful at raising the domestic price for dry peas?
- i. Could India indicate if the import restriction on tur (pigeon pea), moong (beans of species of *vigna radiate*) and urad (beans of the species of *vigna mungo*) were successful at raising the domestic price for each pulse variety?
- j. Does India have a target wholesale price index (WPI) where there will not be a need for quantitative restriction on peas and others pulse varieties? If yes, what is that target?

#### **1.16.4 Question by Russian Federation (AG-IMS ID 88109)**

In November 2017 the Government of India increased the import tariffs on yellow peas up to 50%. In addition to this measure on 25 April 2018 India introduced a restriction on import of yellow peas. According to this new restriction the allowed amount of import of yellow peas to the territory of India shall be 100,000 MT from 1 April to 30 June 2018. After the expiry of this measure the quota has been extended till 30 September 2018. Could India clarify the following issues:

- a. On what basis the amount of quota was calculated?
- b. What was the reason for the extension of quota?
- c. What was the amount of yellow peas to be eligible to import within the quota after 2 July 2018?
- d. Could India provide the amount of yellow peas imported from 1 April till 25 April 2018, from 1 April till 30 June 2018, and from 2 July till 31 August 2018?
- e. How are these measures consistent with Article XI:1 of the GATT and Article 4.2 of the Agreement on Agriculture?
- f. How are these measures justified under the WTO rules?

#### **1.16.5 Question by United States of America (AG-IMS ID 88066)**

- a. On 3 July, the Ministry of Commerce and Industry (MOCI) announced it extended through 30 September the restriction on the quantity of pea imports that was previously was effective through 30 June. Please explain how the quantitative restriction complies with India's WTO obligations.
- b. The quantitative limit restricting imports of peas has harmed growers, processors, and exporters from several of India's trading partners, including the United States. Does India intend to renew the restriction on import of peas past the September 30 period?
- c. Has India notified the WTO of this new quantitative limit restricting imports of peas?
- d. Are the quantitative limits restricting imports of black matpe, mung beans, and pigeon peas still in place?
- e. Does India intend to place quantitative limits restricting imports on any other products?

### **1.17 India's Merchandise Exports from India Scheme (MEIS)**

#### **1.17.1 Question by Australia (AG-IMS ID 88123) and New Zealand (AG-IMS ID 88038)**

New Zealand is concerned with the recent amendment to the Merchandise Exports from India Scheme (MEIS), in particular the increase in the subsidy of cheese and butter from 7% to 10% and the inclusion of skim milk powder in the scheme. How are these amendments WTO compliant?

#### **1.17.2 Question by United States of America (AG-IMS ID 88067)**

India Merchandise Exports from India Scheme (MEIS)

In response to AG-IMS ID 87017 India stated "the objective of MEIS is to offset infrastructural inefficiencies and associated costs, as per Article 9 (d-e) of Agreement on Agriculture (AoA)". However, on India's Foreign Trade Policy, 2015-2020 Notification from the Ministry of Commerce, Chapter 3.03, updated up to June 2015, page 59 says the "[o]bjective of Merchandise Exports from India Scheme (MEIS) is to offset infrastructural inefficiencies and associated costs involved in export of goods/products, which are produced/manufactured in India, especially those having high export intensity, employment potential and thereby enhancing India's export competitiveness".

Also, as amended on December 2017, page 51 it reads the "[o]bjective of the Merchandise Exports from India Scheme (MEIS) is to promote the manufacture and export of notified goods/ products."

Nowhere on India's Foreign Trade Policy directly makes specific reference that the programme is for marketing agricultural exports, handling, upgrading and other processing costs, and the costs of internal or international transport and freight.

- a. Please provide additional details on how the MEIS is implemented, including the specific eligibility criteria for payments.
- b. Further, please indicate how "infrastructure inefficiencies and associated costs" directly relate to the criteria set out in article 9(d-e) of the AoA regarding marketing or transportation costs.

### **1.18 Indonesia's import restrictions on horticultural products**

#### **1.18.1 Question by Japan (AG-IMS ID 88036)**

The Ministry of Agriculture, government of Indonesia, revised the regulation (No. 38/PERMENTAN/HR.060/11/2017) on 6<sup>th</sup> June this year regarding horticultural product import. The use of 'harvest period' is eliminated when issuing the import license. Japan understands, however, that the revised regulation still imposes a restriction giving the Director General authority to consider domestic horticultural production when issuing the import licenses.

Japan would like to ask for further clarification on this issue:

- a. Could Indonesia provide some examples as to how the "domestic horticultural production" is considered?
- b. Could Indonesia make sure that a period in which no import is allowed is not set up any more?

### **1.19 Indonesia's dairy import system**

#### **1.19.1 Question by New Zealand (AG-IMS ID 88035)**

New Zealand refers to its question asked at the 87<sup>th</sup> Committee on Agriculture (AG-IMS ID 87089) regarding Indonesia's dairy import regime. New Zealand is pleased to note that Regulation 26/2106 has been amended by the Indonesian Ministry of Agriculture in the recently released

Regulations 30/2018 and 33/2018. We note in particular Regulation 30/2018 Articles 23 and 24 have been reworded. However, the language is now very vague.

- a. Can Indonesia clarify that importers do not need to have partnership plans anymore and are no longer obliged to own milk processing facilities?
- b. We are pleased to see that Article 34 (3) has been deleted. Can Indonesia confirm that, under the new regulations, importers who do not submit partnership plans will still receive the full volume they request when applying for import recommendations (RIPHS) from the Ministry of Agriculture, as long as they fulfil all other relevant obligations?
- c. Regulation 33/2018 deletes Article 44 which contained all of the penalties for violation of the regulation. Can Indonesia clarify how the regulations are enforced if this is the case?
- d. In response to question AG IMS ID 87089 in which Indonesia stated "Partnership agreement is one of factors to be considered by the Director General of Livestock and Animal Health in issuing import recommendations", could Indonesia specify what other factors are being considered by Ministry of Agriculture officials when issuing import recommendations?

#### **1.19.2 Question by United States of America (AG-IMS ID 88071)**

In July 2017, Indonesia's Ministry of Agriculture (MOA) issued Regulation 26/PERMENTAN/PK.450/7/2017 ("MOA 26/2017") concerning Milk Supply and Circulation. Indonesia included updates to MOA 26/2017 through the publication of MOA 30/2018 on 20 July 2018 and MOA 33/2018 on 30 July 2018.

The United States appreciates Indonesia's continuing revisions to MOA 26/2017 in its efforts to address trade concerns raised with the original measure. The United States remains concerned that Indonesian importers and domestic processors are still being told to obtain dairy partnerships with domestic producers in order to receive dairy import recommendations from the Ministry of Agriculture. The United States questions how meaningful the amendments to MOA 26/2017 really are if the Ministry of Agriculture is continuing to instruct importers and domestic processors to enter into partnerships. As no partnership requirements now exist in the text of the Regulations, these requirements should not be enforced.

- a. Can Indonesia please provide more direct assurance that import license quotas will not be tied with local dairy partnerships?

Indonesia's Ministry of Agriculture (MOA) has stated that they will continue to "encourage" dairy processors to form partnerships to buy local milk and invest in dairy production. Indonesia's Ministry of Agriculture reports that 88 dairy product importers and 30 domestic processors have already submitted partnership plans.

- b. Can Indonesia ensure that companies which did not submit partnership plans will not be impacted when Indonesia's Ministry of Agriculture decides whether to issue import recommendations?
- c. Does Indonesia plan to enforce the statement that the Ministry of Agriculture would "encourage" dairy processors to purchase milk through local dairy partnerships?
- d. The United States further requests Indonesia refrain from issuing further regulations requiring any form of domestic partnerships, and instead engage with its dairy trading partners in capacity building discussions or programmes if necessary to attain Indonesia's milk production objectives.
- e. The United States welcomes Indonesia's willingness to participate in capacity building programmes and we request that Indonesia please inform the United States whether we can advance these programmes. The United States looks forward to the continued collaboration with Indonesia.

## **1.20 Indonesia's soybean imports**

### **1.20.1 Question by United States of America (AG-IMS ID 88097)**

The Indonesian Ministry of Agriculture is actively considering a draft regulation that would favour domestically produced soybeans and restrict imported product. The draft regulation would restrict imports to when domestic supply is deemed insufficient, requires all imports be conducted by a state-owned enterprise, and prohibits import one month prior to and after the domestic harvest period. In response to questions about this draft regulation by the United States at 87<sup>th</sup> COA, Indonesia said that "Currently the draft regulation is still under careful consideration by the relevant authorities in Jakarta. Consistency with WTO rules is one of the main considerations in this process". (AG-IMS ID: 87019)

- a. Please provide an update on the status of this draft regulation.
- b. Is the Ministry of Agriculture still considering this draft regulation or any part thereof?

The United States also understands that Indonesia is considering raising tariffs on soybeans from its current applied rate and instituting a genetically engineered labelling requirement on bulk soybeans. Please provide an update on these potential changes as well.

- c. What steps is Indonesia taking to ensure that any regulation impacting imports of soybeans is consistent with its WTO commitments?

## **1.21 Republic of Korea's rice imports**

### **1.21.1 Question by Thailand (AG-IMS ID 88045)**

Please provide an update on the rectification and modification of Korea's Schedule for rice products and whether there has been progress with regard to Korea's consultations with concerned Members.

## **1.22 Mongolia's quota regime for importation**

### **1.22.1 Question by Russian Federation (AG-IMS ID 88104)**

Follow up to question AG-IMS ID 87094:

In 2013 Mongolia established a quota regime for importation of certain agricultural products, including wheat flour and milk. In late 2016 the Ministry of Food, Agriculture and Light Industry of Mongolia established an import prohibition on wheat flour. In May 2018 Mongolia had put in place a quota for import of wheat flour for the rest of 2018 year. The Ministry of Food, Agriculture and Light Industry of Mongolia published a notice for importers to submit the documents for allocation of quota volume only in July 2018. Despite of the fact that the close date for documents submission for importers was 19 July 2018, at the moment the Ministry of Food, Agriculture and Light Industry of Mongolia still has not allocated the quota volume among the importers of wheat flour. As a result, importers could not import within the quota volume; and, in fact, the import ban on wheat flour is still in force.

- a. Could Mongolia explain the reasons for delay in opening the quota for wheat flour?
- b. When Mongolia is going to allocate the quota volume among importers of wheat flour?
- c. Please explain how Mongolia's import restrictions, both quotas and import prohibitions, are consistent with Article XI of the GATT 1994 and Article 4.2 of the Agreement on Agriculture.



### 1.23 Pakistan's sugar policies

#### 1.23.1 Question by Australia (AG-IMS ID 88033) and Guatemala (AG-IMS ID 88124)

Further to Australia's previous questions to Pakistan during the June 2018 meeting (AG-IMS ID 87081) regarding the sugar freight support provided by Pakistan, Australia has a series of follow-up questions:

- a. Australia requests Pakistan confirm that the freight support for the 2017/18 crushing season has now ceased, and if so, what exact date did the freight support end?
- b. Australia requests Pakistan confirm the volume of sugar that received the freight support, and provide a dollar amount for the freight support provided under the measure.
- c. Australia notes that the USDA Foreign Agricultural Service report (Sugar: World Markets and Trade) May 2018 states that "Exports are forecast at zero and stocks are projected to balloon to 4.7 million metric tonnes, as no export subsidies for 2018/19 have been announced".
  - i. Can Pakistan explain what measures it may be considering to address the stockpile of sugar?
  - ii. Is Pakistan considering reinstituting export subsidies in the form of freight support as provided in 2017/18?

Australia notes that Pakistan at the provincial level provides market price support for sugar cane through minimum support prices (MPS) set by the provincial governments of Punjab (180 Rs. per 40 kg in 2017/18), Sindh (182 Rs. per 40 kg in 2017/18), and Khyber Pakhtunkhwa (KPK) (180 Rs. per 40 kg in 2017/18). The MPS for sugarcane are long running measures, which we note have increased 200% during the period from 2007/08 to 2015-16.

- d. Can Pakistan explain why it has not notified any eligible production for sugar cane in its domestic support notifications from 1995/96 to 2011/12?
- e. Can Pakistan explain why it did not notify the applied administered price for sugar cane in 2000/01 and in subsequent domestic support notifications?
- f. Can Pakistan provide the value and volume of sugar cane production in each province in Pakistan?
- g. Can Pakistan explain why the minimum support prices have increased so significantly since 2007/08 (e.g. from 60 Rs. per 40 kg in 2007/08 to 180 Rs. per 40 kg in 2017-18 in the Province of Punjab)?
- h. Has Pakistan considered that the high level of MPS may be leading to overproduction resulting in the need to export subsidies in the form of freight support?
- i. Has Pakistan considered removing the MPS for sugar cane and moving to less trade and production distorting forms of domestic support?

Australia would be grateful if Pakistan could inform the Committee when it was planning to submit domestic support notifications for marketing years 2012/13 and subsequent years, and whether the market price support for sugar cane will be included.

### 1.24 Pakistan's wheat export subsidies

#### 1.24.1 Question by United States of America (AG-IMS ID 88072)

In response to AG IMS ID 87021, Pakistan confirmed that the quantity of wheat exported under its export subsidy programme to date was 1.625 million tonnes out of 2.0 million metric tonnes



authorized by the government of Pakistan at an export subsidy price of up to USD 159 per metric tonne. Also, Pakistan responded that the support provided is "in full compliance of Article 9.4 read with 9.1 (d) & (e) of Agreement of Agriculture (AoA)", and copies of the legislation and/or cabinet decision(s) for making this export subsidy available will be made available in course of time.

- a. Please provide an update on the quantity of wheat that has been exported under this scheme, and whether or not the programme has been extended for the next marketing year.
- b. Please provide additional details on the criteria for eligibility to receive the payment.
- c. Please explain how this subsidy was calculated given the constraints of Article 9.1 (d) and (e). Please include estimates for handling, upgrading, internal and international transport, and any other relevant costs used to calculate the USD159/MT subsidy.
- d. As requested in June, please provide an update on the availability to this Committee of the legislation and/or cabinet decision(s) for this measure, as well as an update on the Pakistan's export subsidy notifications, including Supporting Table DS:2.

## **1.25 Philippines' rice waiver**

### **1.25.1 Question by Australia (AG-IMS ID 88032)**

Australia thanks the Philippines for its response to its questions at the June 2018 CoA regarding the 30 June 2017 rice tariffication deadline provided by the WTO General Council's waiver decision of 24 July 2014 (WT/L/932).

Australia notes that a bill that amends the Agricultural Tariffication Act (aims to replace quantitative restriction on rice with tariffs), has been approved in the House of Representatives, but it is still pending in the Senate. President Duterte has certified as urgent the passage of the bill during his third State of the Nation Address on 23 July 2018. What is the expected timeline for the passage of this bill?

## **1.26 Russian Federation's railway subsidy for exports**

### **1.26.1 Question by United States of America (AG-IMS ID 88073)**

#### Question 1

In response to AG IMS ID 87022 the Russian Federation stated "The possibility of the extension the duration of this support will be considered depending on the results of its efficiency and domestic market conditions."

- a. Please indicate whether Decree No.1595 has been extended and provide an update on usage to date.

The Russian Federation also stated that "Grain farmers are not specified by Decree N° 1595 as the recipients and (or) direct beneficiaries of this subsidy and that is mainly a systematic measure for the domestic agricultural market. Therefore, the implementation of this Decree does not have any substantial effect on the agricultural production".

- b. Please clarify and elaborate further as to how Decree No.1595 does not benefit grain farmers and traders when the text of the decree states that it is to "reduced grain transportation rates" (i.e., the eligible products for the subsidy are wheat, corn and barley?

#### Question 2

The United States would like to reiterate the following question, which has not been answered:

- c. Can the Russian Federation please explain how the Russian Federation monitors the international grains market to determine the trade distorting effects of this measure and whether it is displacing or impeding the exports of other Members?
- d. Please describe how the list of territories in Annex 2 of Decree 1595 was compiled and what characteristics they share beyond the presence of grain export facilities as final destination.

## **1.27 Suriname's poultry tariffs**

### **1.27.1 Question by United States of America (AG-IMS ID 88074)**

The United States notes that Suriname began applying a 40% tariff on imports of poultry products in September 2017. In June 2018, Suriname informed the WTO that it seeks to increase its bindings under Article XXIV (6) to conform with the CARICOM CET. The new duty of 40% is twice the rate of Suriname's 20% bound rate for poultry products. The United States has asked Suriname to start Article XXVIII talks to discuss compensation for withdrawing a trade concession but Suriname has not responded to U.S. requests.

- a. Please explain how Suriname is in compliance with its WTO obligations by raising the tariff on imports of poultry products beyond its bound rate?
- b. Please explain if and when Suriname will initiate Article XXVIII negotiations to adjust its bound rate.
- c. Will Suriname consider refraining from applying the above-bound 40% duty rate until the Article XXVIII process has concluded?

## **1.28 Thailand's import permits for feed wheat**

### **1.28.1 Question by Ukraine (AG-IMS ID 88002)**

Ukraine notes that during the numerous Committee meetings in 2016–2018 Members raised questions on Thailand's import permits for feed wheat. It is obvious that this policy has had serious impact on international grain exporters. Thailand explained that its measures to limit imports of feed wheat were introduced temporarily with the aim to stabilize the domestic price of maize. At the same time, Thailand informed that it conducted internal consultations to find a suitable solution to that issue.

- a. Could Thailand please provide information on the latest developments in the above-mentioned internal consultations?
- b. Please, elaborate on outcomes of the import restrictive measures taken and future policy in the grain sector.

## **2 POINTS RAISED IN CONNECTION WITH INDIVIDUAL NOTIFICATIONS**

### **2.1 Administration of tariff and other quota commitments (Table MA:1)**

#### **2.1.1 Canada (G/AG/N/CAN/116)**

##### **AG-IMS ID 88001: Question by Norway - Transparency issues**

In the June CoA meeting, Canada informed the committee about the enter into force of the reallocation of 800 tonnes of cheese to the European Union, negotiated as a part of the CETA agreement.

Can Canada inform the Committee on Agriculture with regard to the imports of cheese from each of the thirteen new member States in the European Union, in each of the three years 2014 - 2016?

## **2.2 Imports under tariff and other quota commitments (Table MA:2)**

### **2.2.1 Ecuador (G/AG/N/ECU/46)**

#### **AG-IMS ID 88027: Question by European Union - Transparency issues**

In its notification, Ecuador indicates that no imports occurred under its 14 tariff-rate quotas on the basis that the applied MFN rate was below the bound in-quota rate or that imports occurred under preferential agreements or that no imports were recorded at all without specifying any quotas in particular.

- a. Could Ecuador clarify if these quotas effectively have been opened in each of the years reported?
- b. Could Ecuador also clarify:
  - i. for which quotas the applied rate was lower than the quota in-quota rate;
  - ii. which quotas were subject to bilateral agreement;
  - iii. for which quotas no import were recorded.
- c. The EU also notes that the most recent notification on quota management dates back from year 2000. Could Ecuador confirm that no changes have occurred since in the management of Ecuador's quotas?

#### **AG-IMS ID 88099: Question by United States of America - Transparency issues**

Ecuador registers no imports coming under TRQ commitments. The United States is the holder of first-negotiator rights for these quotas and requests that Ecuador implement a fair and transparent mechanism to adjudicate these quotas retroactively, at least back to 2014.

Why has Ecuador not implemented a quota administration system to allocate quotas to interested parties?

### **2.2.2 Guatemala (G/AG/N/GTM/62, G/AG/N/GTM/63)**

#### **AG-IMS ID 88026: Question by European Union - Transparency issues**

Guatemala indicates that most tariff-rate quotas are not opened because of better market access offered. Still, the number of TRQs opened in a given year varies from year to year.

Could Guatemala explain what conditions in market access trigger the opening or not of a quota or which is the mechanism for opening a quota?

### **2.2.3 Malaysia (G/AG/N/MYS/42)**

#### **AG-IMS ID 88025: Question by Australia - Tariff quota fill**

Australia welcomes Malaysia's notification concerning imports under tariff quotas (Table MA:2) for Calendar Year 2016.

- a. Can Malaysia explain the reasons for the significant under fill for some tariff quotas opened during the 2016 Calendar year?
  - i. for each product, can Malaysia explain whether the under fill was due to market circumstances, the existence of SPS measures for the product, or restrictive tariff quota administration?
- b. Given that six of the nine tariff quotas opened in 2016 did not reach a fill rate of two per cent, did Malaysia give consider moving to a tariff-only regime for those products?

- c. Can Malaysia explain what it is doing to increase utilisation of its under filled tariff quotas, as per the objective of the review of the Bali Decision on TRQ Administration?

#### **2.2.4 Norway (G/AG/N/NOR/97)**

##### **AG-IMS ID 88057: Question by New Zealand - Tariff quota fill**

- a. Can Norway explain the reasons for the sudden drop in the quota fill rate, from 98% in 2015 and 91% in 2016 to 14% in 2017, for its sheep and goat meat quota NORQ009?
- b. Can Norway explain the decline in its quota fill rate over the past three years (2015: 91%; 2016: 80%; 2017: 63%) for its sheep and goat meat quota NORQ225?
- c. Can Norway explain the reasons for the consistently large under fill of its butter quota (NORQ229) over the past three years (2015: 59%; 2016: 63%; 2017: 45%)?

#### **2.2.5 South Africa (G/AG/N/ZAF/91)**

##### **AG-IMS ID 88024: Question by Australia - Tariff quota fill**

Australia welcomes South Africa's notification concerning imports under tariff quotas (Table MA:2) for Calendar Year 2016, in particular the full utilisation of a sizable number of tariff quotas.

- a. Can South Africa explain the reasons for the under fill for some tariff quotas notified for calendar year 2016?
  - i. for each product, can South Africa explain whether the under fill was due to market circumstances, the existence of SPS measures for the products, or restrictive tariff quota administration?
 

Australia would be particularly interested in understanding the less than 10% fill rates listed for Milk Powder, Butter, Cheese, Eggs, Potatoes, Dried Fruit, Barley and Malt Extracts.
- b. Can South Africa explain what it is doing to increase utilisation of its under filled tariff quotas, as per the objective of the review of the Bali Decision on TRQ Administration?

### **2.3 Special agricultural safeguards (Tables MA:3 to MA:5)**

#### **2.3.1 Japan (G/AG/N/JPN/228)**

##### **AG-IMS ID 88023: Question by Australia - Other implementation issues**

Australia welcomes Japan's notification under Article 5 of the Agreement concerning a volume-based safeguard on milk and cream, not concentrated.

- a. Australia notes Japan may have followed the requirements under Article 5 to trigger the safeguard, but would like to ask Japan if it believes it is credible and within the spirit of an open and rules based system to be triggering a safeguard that will be applicable for nine months based on only 28 tonnes of imports?
- b. While the special safeguard under Article 5 allows for automatic triggering, based on the agreed methodology, has Japan considered if it is genuinely necessary to trigger a safeguard, taking into account economic and market circumstances? and
- c. Does Japan ever review or reconsider whether it needs to apply the safeguard for such a lengthy period?

### 2.3.2 Philippines (G/AG/N/PHL/53)

#### AG-IMS ID 88022: Question by New Zealand - Transparency issues

Can the Philippines provide more detail around its domestic policy settings that led to 17 price-based special safeguard measures being invoked and notified in April 2018?

### 2.4 Domestic support commitments (Table Ds:1)

#### 2.4.1 Armenia (G/AG/N/ARM/29)

#### AG-IMS ID 88003: Question by Ukraine - General services: marketing and promotion services

Ukraine notes both significant textual and budget changes in Armenia's notified marketing and promotion services in G/AG/N/ARM/29. Compared to the previous Table DS:1 notifications, one can observe:

- 2012: 408.4 AMD Million - Co-financing of the community agricultural resource management and competitiveness project carried out with World Bank support;
- 2013: 316.3 AMD Million - Co-financing of the community agricultural resource management and competitiveness project carried out with World Bank support;
- 2014: 2,077.4 AMD Million - Marketing and promotion services, including market information, advice and promotion relating to particular products but excluding expenditure for unspecified purposes that could be used by sellers to reduce their selling price or confer a direct economic benefit to buyers: Community agricultural resource management and competitiveness project.

The budgetary change represents a near 473% increase over the average of the two previous years. The range or intensity of marketing and promotion programmes is not identified in detail. At the same time, Ukraine observes rather large increases in Armenian exports from approximately 400 Mill USD to about 630 Mill USD between 2013 and 2017. Ukraine kindly request Armenia to update the Committee in more details with regard to specific implemented marketing and promotion programmes, including allocation of individual budgetary support.

#### 2.4.2 Australia (G/AG/N/AUS/99, G/AG/N/AUS/109)

#### AG-IMS ID 88052: Question by India - Transparency issues (including Table DS:2)

As per G/AG/N/AUS/99 document containing DS notification for the year 2013/14, Australia has introduced a new programme called the "Emergency Water Infrastructure Rebate" under Supporting Table DS:9. India notes that this programme has not been notified in DS notification document G/AG/N/AUS/109 for the year 2014/15. Australia is requested to clarify if the programme has been discontinued?

#### AG-IMS ID 88050: Question by India - Other product-specific AMS/EMS

As per Australia's document G/AG/N/AUS/109, Supporting Table DS:6 (Product-Specific Aggregate Measurements of Support: Non-Exempt Direct Payments) shows that total support of A 0.273 million has been provided for Live cattle exports. Can Australia clarify the nature of this support in addition to the explanation in the footnote to the table (Assistance through concessional loans and financial advice grants to pastoralists and service businesses which were affected by the temporary suspension of live cattle exports to Indonesia)? Is this support available only for live cattle exports or for all cattle businesses?

#### AG-IMS ID 88049: Question by India - Non-product-specific AMS

Australia's DS notification for 2014/15 document G/AG/N/AUS/109 in Supporting Table DS:9 notified two new support programmes namely, "Drought Concessional Loans Scheme" and "Drought Recovery Concessional Loans Scheme". The footnote to the table notes that "eligible farm businesses" are entitled to avail such loans. In this regard,

- a. What is the criteria for farm businesses to be "eligible" for availing concessional loans under these programmes?

- b. What was concessional rate offered under the measures during the year 2014-15 and what was the comparable commercial interest rate?

#### **AG-IMS ID 88051: Question by India - Classification of measures**

Australia's Domestic Support Notifications for recent years in Supporting Table DS:9 contain a programme called the "Murray-Darling Basin Regional Economic Diversification Programme". As per the information available on the website <http://rdafarwestnsw.org.au/murray-darling-basin-regional-economic-diversification-program/>, the programme intends to fund a range of industries and products such as cheese-making and grain processing which makes this measure product-specific in nature. How is this programme compatible to be notified as non-product specific support as per Article 6.4 (a) (ii) of the Agreement on Agriculture?

#### **2.4.3 Bahrain, Kingdom of (G/AG/N/BHR/7, G/AG/N/BHR/10)**

#### **AG-IMS ID 88101: Question by United States of America - Transparency issues (including Table DS:2)**

In Supporting Table DS:1 for 2012 and 2014 Bahrain notified "plant protection" as a pest and disease control measure under Annex 2. No pest and disease control measure was notified for 2013 in G/AG/N/BHR/7, but Bahrain did notify "Land preparation, crop protection, veterinary services" as a general services measure for that year as well as in 2011 and previous years. In 2015, 2016 and 2017, Bahrain notified "Plant Protection, national campaign for the control of red palm weevil" as a pest and disease control measure.

- a. It is unclear whether the intermittent use of some of these measures (e.g., "plant protection" and "land preparation, crop protection, veterinary services") indicates whether the same programme received funding in only certain years or if a new programme was introduced with the same name. Please clarify.
- b. For each measure notified in Supporting Table DS:1 by Bahrain in G/AG/N/BHR/10, please provide a short description of how the measure is implemented.
- c. Please confirm when a Table DS:2 notification for each new exempt measure (e.g., "plant protection" and "Plant Protection, national campaign for the control of red palm weevil") will be submitted to this Committee.

#### **AG-IMS ID 88103: Question by United States of America - Article 6.2 (Special and Differential Treatment / Development Programmes)**

In Supporting Table DS:2 in G/AG/N/BHR/10, Bahrain notified "Infrastructure for plant production" including for 2012 and 2014, while in G/AG/N/BHR/7 Bahrain notified "Infrastructure projects" for 2013.

- a. Please confirm whether these are the same or different measures.
- b. Please provide a short description of how the measure or measures are implemented.

#### **AG-IMS ID 88100: Question by United States of America - Input subsidies available to low-income or resource-poor producers**

The United States notes no response has been provided for AG IMS ID 74038 regarding G/AG/N/BHR/7. Bahrain has notified input subsidies for crops and animal products inputs generally available to low-income or resource-poor producers.

- a. How does Bahrain define "low-income or resource-poor"?
- b. What percent of Bahraini agricultural producers meets this definition?
- c. Please describe what inputs are eligible to receive a subsidy, how the support measure implemented, and how the subsidy is calculated.

#### 2.4.4 Canada (G/AG/N/CAN/122)

##### **AG-IMS ID 88105: Question by United States of America - Transparency issues (including Table DS:2)**

There appears to be several discrepancies in the calculations in descriptions relating to the Current Total AMS in Supporting Table DS:4 including:

- the description appears to include values transferred over from Canada's previous notification;
- the Total Product-Specific AMS value appears to be inaccurate and resulting in an inaccurate Current Total AMS.

Please confirm whether the only product-specific AMS contributing to the Current Total AMS is that for milk at C\$576 million.

##### **AG-IMS ID 88053: Question by India - Market price support**

Canada's Domestic Support notification document G/AG/N/CAN/122 for the year 2014 in Supporting Table DS:5 shows that product specific domestic support provided to butter and skim milk powder is worth \$432.592 million and \$143.382 million respectively. The footnote to the table defines "Eligible Production" with respect to skim milk powder as the following: "total production (80,984 t), less product sales for further processing and animal feed under Special Classes 5 a, b and c (12,684 t) and 4m (29,541 t), less total exports (12,602 t), plus that portion of exports that had received the support price (0 t)".

- a. India would like to know the rationale for deduction of the following from total production of skim milk powder: (a) sales for further processing (b) animal feed (c) exports.
- b. Whether the domestic producers who export skim milk powder and butter are entitled to price support?

#### 2.4.5 Ecuador (G/AG/N/ECU/47, G/AG/N/ECU/48, G/AG/N/ECU/49)

##### **AG-IMS ID 88106: Question by United States of America - Transparency issues (including Table DS:2)**

###### Question 1

The United States thanks Ecuador for its most recent Table DS:1 and DS:2 notifications and the notification of several Green Box measures. However, the United States understands that Ecuador's Ministry of Agriculture, Livestock, Aquaculture and Fisheries, according to its website, subsidized a share of the cost of inputs, such as urea and potassium fertilizer, seeds, and other supplies for farmers of several commodities including corn and rice. Since 2014, preferential attention has been paid to bananas and pasture crops for livestock. However, beneficiaries also include sugar cane, cocoa, cereals, vegetables, potatoes, and other commodities. Farmers receive preferential prices, below cost, for inputs.

- a. Please provide additional details with regard to how the input subsidies measure is implemented and the time period under which the subsidy was available to producers.
- b. Are these input subsidies notified in Ecuador's current domestic support notifications?
- c. If so, please explain how they reportedly meet the green box criteria under which they are notified.
- d. If not, please explain the basis for not notifying them, including whether Ecuador will notify these measures for past years.

###### Question 2



- e. According to the Ministry's website, input packages or "kits" purchased by producers also included agricultural insurance covering losses.
- f. Please provide additional details with regard to how the agricultural insurance programme was implemented, including what losses are covered and what years the measure was available.
- g. Was the insurance included in these kits the same as the support notified for 2011 in G/AG/N/ECU/11?

### Question 3

- h. The United States notes that in 2015 it was reported that a diesel subsidy provided by the government had been eliminated, which resulted in higher diesel cost for producers.
- i. 7. Please confirm that this diesel subsidy was eliminated and clarify whether Ecuador has notified this measure and if not, the basis for not notifying.

### **2.4.6 Egypt (G/AG/N/EGY/3)**

#### **AG-IMS ID 88020: Question by Australia - General services: pest and disease control**

Australia would like to follow up on its question to Egypt at the 87<sup>th</sup> Committee on Agriculture, AG-IMS ID 87095 regarding pest and disease control.

Egypt listed a Pest Control Subsidy as "Green Box", noting the measure was directed for pest control for cotton; the subsidy was calculated as a fixed amount per acre for all cotton producers who are small farmers; and pest control is provided in cash to farmers at the end of each season.

- a. Can Egypt explain how the subsidy was tied with actual pest control, given the subsidies were provided at a fixed rate per acre and even pest-free crops could receive the subsidy?
- b. Can Egypt explain what are the requirements to be classified as a 'small farmer'?

#### **AG-IMS ID 88021: Question by Australia - Market price support**

Australia would like to follow up on its question to Egypt at the 87<sup>th</sup> Committee on Agriculture, AG-IMS ID 87093 regarding market price support for wheat.

In its answer to AG-IMS ID 87097, Egypt stated that it does not provide market price support for wheat, but then explains that the government "declares a price for the marketing of wheat... related to the cost of production per feddan". Egypt also stated "the General Authority for Supply Commodities (GASC) buys local wheat from the farmers".

In order to properly assess the levels of support being provided by Egypt for wheat, could Egypt please provide the following details:

- a. The price "declared by the government for the marketing of wheat" over the period 2005/2006 to 2016/2017?
- b. How Egypt sets this price, including if necessary, details of the assessed "cost of production per feddan"?
- c. The value of production of wheat in Egypt over 2005/2016 to 2016/2017?

### **2.4.7 European Union (G/AG/N/EU/43)**

#### **AG-IMS ID 88055: Question by India - Classification of measures**

As per European Union's DS notification G/AG/N/EU/43 for the year 2014/15, measures like "Single Payment Scheme (SPS); Separate Sugar Payment; Separate Fruit and Vegetables Payment;



Decoupled Complementary National Direct Payments and Transitional National Aid" have been notified under Decoupled Income Support.

Please provide details of the aforementioned programmes and explain how these payments fulfil the criteria of Annex 2 of AoA as these schemes specify payments for particular products such as sugar and vegetables among others?

#### **2.4.8 European Union (G/AG/N/EU/46)**

##### **AG-IMS ID 88079: Question by Canada - General services: marketing and promotion services**

Supporting Table DS:1, Canada understands that under the two extraordinary support measures packages announced on 7 September 2015 ([http://europa.eu/rapid/press-release\\_IP-15-5599\\_en.htm](http://europa.eu/rapid/press-release_IP-15-5599_en.htm)), and 14 March 2016 ([http://europa.eu/rapid/press-release\\_IP-16-806\\_en.htm](http://europa.eu/rapid/press-release_IP-16-806_en.htm)), that a portion of the support would be allocated to provide funds for promotional activities.

- a. Could the European Union confirm if the funds for promotional activities are included in the amount reported under "Marketing and promotion services"?
- b. Could the European Union provide the amounts dispersed?

##### **AG-IMS ID 88044: Question by Thailand - Direct payments: decoupled income support**

Please provide further information regarding the objectives and procedures of the Decoupled Income Support programmes, the criteria for product eligibility, and criteria for farmers to be eligible for the support.

##### **AG-IMS ID 88077: Question by Canada - Direct payments: payments under environmental programmes**

In Supporting Table DS:1, Canada notes that the Environmental Programmes' expenditures increased from EUR 5,885 million in 2014/2015 to EUR 8,121 million in 2015/2016, which represents an increase of 38%.

- a. Could the European Union please provide details on the conditions that led to this significant increase in expenditures?
- b. Canada notes that expenditures include: "support and protection of organic production by creating conditions of fair competition".
  - i. Could the European Union elaborate on how the support provided to organic production meets the policy specific criteria of paragraph 12, Annex 2 of the Agreement on Agriculture?
  - ii. Could the European Union elaborate on the types of extra costs that are eligible for support under the measure related to organic production?
  - iii. Could the European Union provide the amount of this expenditure that went to organic production?

##### **AG-IMS ID 88019: Question by Australia - Article 6.5 (Blue Box)**

Australia welcomes the European Union's Domestic Support Notification for marketing year 2015/16. Notably, from 2014/15 to 2015/16 payment measures under "blue box" (Table DS:3) increased from EUR 2,878.8 million (G/AG/N/EU/43) to EUR 4,331.1 million, which represents an increase of 50%.

- a. Could the European Union please provide details on the reasons that led to this significant increase in expenditure?
- b. What steps has the EU taken to ensure production in supported commodities is limited and are in fact "blue box"?

**AG-IMS ID 88078: Question by Canada - Other product-specific AMS/EMS**

In Supporting Table DS:6, Canada notes that several products: milk, beef, sheep, pig, other livestock and fruits and vegetables received support through the Extraordinary support measures which total EUR 1.1 billion.

- a. Could the European Union elaborate if the payments reported here are part of the Extraordinary support measures packages announced on 7 September 2015, and 14 March 2016?
- b. Could the European Union elaborate as to the eligibility criteria for these payments?

**AG-IMS ID 88118: Question by Japan - *De minimis***

EU's Table DS:1 notification for 2015 was made available on 23 August. A significant increase of *de minimis* usage is identified on milk, pig meat and beef. Could European Union elaborate more on the reason?

**2.4.9 India (G/AG/N/IND/12)****AG-IMS ID 88080: Question by Canada - Market price support: Eligible production**

Canada would like to remind India that an answer is still pending on part a. iii. of question AG-IMS ID 87139 raised during the 87<sup>th</sup> Committee on Agriculture for India's previous notification (G/AG/N/IND/12). Could India please indicate when it will provide an answer to the following question: iii. Canada notes that the Department of Consumer Affairs published on its website ([https://consumeraffairs.nic.in/WriteReadData/userfiles/file/Procurement\\_of\\_Pulses\\_08Sep2017.pdf](https://consumeraffairs.nic.in/WriteReadData/userfiles/file/Procurement_of_Pulses_08Sep2017.pdf)) that, as of 08.09.2017, 50,422.53 MT of Kharif Pulses (KMS 2015-16) were procured domestically for the Buffer Stock under Price Stabilization Fund. Could India please indicate when this procurement of Kharif Pulses (KMS 2015-16) will be notified?

**2.4.10 India (G/AG/N/IND/13)****AG-IMS ID 88068: Question by Canada - Transparency issues (including Table DS:2)**

In Supporting Table DS:4 and DS:5, Canada notes that India's product-specific AMS for pulses increased from USD 14.37 million in 2013-2014 to USD 92.25 million in 2014-2015 and dropped to zero in 2015-2016 and again increased to USD 397.97 million in 2016-2017. The eligible production of pulses reported in the notification also increased from zero in 2015-16 to 1.15 million tonnes in 2016-17.

- a. Could India provide further details on the conditions that led to this significant increase in spending from 2013-2014 to 2016-2017?
- b. Could India indicate for 2016-17 the quantity of pulses procured by each Indian agency and by type of pulse?

Canada would like to thank India for providing the product-specific value of production data for years 2014 and 2015. At the 87<sup>th</sup> Committee on Agriculture, India indicated that product-specific value of production data would be included in its future domestic support notifications. However, in Supporting Table DS:4, Canada notes that product-specific value of production data has not been included. The inclusion of value of production data greatly improves the transparency of Supporting Table DS:4.

- c. Could India provide the value of production for all products reported in Supporting Table DS:4 for 2016-2017?

**AG-IMS ID 88014: Question by European Union - Transparency issues (including Table DS:2)**

Supporting table DS:4,

- a. Can India explain, for each product, how big a share of the MPS calculated is the result of state subsidies above the part from the Federal Government?
- b. Can India indicate which states have supplementary top-ups for which products and which are the amounts per tonne for the different products?
- c. Can India please indicate the value of production for the products in question (as it did for 2014/15 and 2015/16 in question ID 87138).

**AG-IMS ID 88119: Question by Japan - Transparency issues (including Table DS:2)**

India's Table DS:1 notification for 2016 was made available on 20 July. A significant increase of Insurance Premium Subsidy is identified. Could India elaborate more on the reason?

**AG-IMS ID 88056: Question by Thailand - Transparency issues (including Table DS:2)**

Could India please provide further information on the objectives, eligibility criteria, and procedures for providing Input subsidies, including whether certain products have been allocated substantially more input subsidies than others.

**AG-IMS ID 88107: Question by United States of America - Transparency issues (including Table DS:2)**

Question 1

In 2007, the Indian National Development Council launched Rashtriya Krishi Vikas Yojana (RKVY), which supports the agricultural sector in a number of ways including: crop development, horticulture, agricultural mechanization, natural resource management, marketing and post-harvest management, animal husbandry, dairy development, extension, etc. The RKVY appears to provide funding for a broad array of policy measures that appear to may be Green Box or Amber Box.

- a. The RKVY appears to provide funding for a broad array of policy measures that appear to range from Green Box or Amber Box. Please provide additional details on how the RKVY and related measures funded by the RKVY are implemented.
- b. Please indicate how and where the RKVY is notified in India's domestic support notification, including in G/AG/N/IND/13.

Question 2

It is noted that in 2017 the RKVY as continued for three years as the RKVY Remunerative Approaches for Agriculture and Allied sector Rejuvenation (RKVY-RAFTAAR) with 70% of outlays to be allocated for activities related to infrastructure and assets and production growth. In additional 20% of RKVY-RAFTAAR funding is made available for other sub-schemes that related to national priorities, while the remaining funding is for innovation and agri-entrepreneur development.

- c. It is noted that India has never submitted any DS:2 notification for any new or modified exempt measures. Please indicate whether India will be providing a DS:2 notification for the introduction of the RKVY in 2007, the modification of RKVY to RKVY-RAFTAAR in 2017, or for any other new or modified exempt measure introduced whether related to RKVY or not.

Question 3

In 2011, India introduced the National Dairy Plan Phase I (NDP I) for the period 2011/12 through 2018/19 and implemented by the National Dairy Development Board. NDP I is aimed at activities such as improving productivity and improving market/value chain infrastructure.

- d. NDP I appears to provide funding for a broad array of policy measures that appear that likely include Green Box measures. Please provide additional details on how NDP I is implemented.

- e. Please indicate how and where the NDP I is notified in India's domestic support notification, including in G/AG/N/IND/13.
- f. Is India planning to submit a Table DS:2 notification for the introduction of NDP I in 2011/12?

#### Question 4

In G/AG/N/IND/13 and in responses to questions by other Members, including most recently to Australia in AG-IMS ID 87117, India no longer notifies seed subsidies as part of its input subsidies notified under Article 6.2. The provision of seed subsidies is not identified anywhere else in India's notification. However, the United States notes that under the National Food Security Mission, India provides seed subsidies to farmers of various commodities in various states, including but not limited to rice, wheat, arhar, moong, urd, gram lentil, maize and barley.

- g. Please confirm whether India provides any other seed subsidies and whether those identified in the National Food Security Mission, or elsewhere, are included in India's domestic support notification and if so, where.

#### Question 5

Loan waiver schemes appear to have continued since the Agricultural Debt Waiver and Debt Relief Scheme in 2008. For example, in 2016 the state of Tamil Nadu announced a waiver of agricultural loans totaling approximately USD 900 million (Rs. 60 billion).

- h. Please indicate how much farm debt/loans were waived in MY 2016/17, under any loan waiver programme operated within India.
- i. How is this financial support to the agricultural sector notified in G/AG/N/IND/13?

#### Question 6

The United States understands India to provide farmers with subsidized interest rates for short term credit under the Interest Subvention Scheme that has been implemented since 2006/07. Under the scheme, farmers are offered short-term crop loans at a subsidized rate of interest.

- j. Please provide additional details with regards to how this measure is implemented, including the effective interest rate subsidy rate and the value of loans covered by the measure in 2016/17.
- k. Please confirm whether this measure is notified by India in its domestic support notification and if so, where? If not, on what basis?

#### Question 7

In response to AG IMS ID 85018 from October 2017, India stated an "answer will be submitted shortly" in relation to the part (f) of the question regarding measures that were also not notified in G/AG/N/IND/12 or G/AG/N/IND/13:

"It is noted that a number of Green Box measures including, "dry land farming/rain-fed farming," "provision of loans at concession rates and debt waiver", "soil conservation in catchment areas of river valley projects", and "integrated watershed management" are no longer notified by India. It is the U.S. understanding that all of these measures may not have been terminated after MY 2010/11. For example, it appears that India has continued to implement the "integrated watershed management" programme according to documentation in India's Union Budget and a 2015 India Cabinet Committee on Economic Affairs approval of the consolidation of the programme into a larger programme".

- l. Please indicate if and whether any or all of these measures of have been replaced by other measures and if so, where these are notified in India's notification.

m. If not, please verify that all of these measures have been terminated.

**AG-IMS ID 88017: Question by Australia - Public stockholding for food security purposes**

Australia notes that in Supporting Table DS:1 of G/AG/N/IND/13, India has notified spending on public stockholding for food security purposes of USD 16.3 billion in 2016-17.

Paragraph 3, Annex 2 of the AoA states, "The volume and accumulation of such stocks shall correspond to predetermined targets related solely to food security". For each of the periods covered by the notification, could India provide:

- a. the pre-determined targets, when these were established, and under which legislation or programmes; and
- b. an explanation of how these targets are in compliance with the requirement of a sole focus on food security.

Paragraph 3, Annex 2 of the AoA further states, "Food purchases by government shall be made at current prices and sales from food security stocks shall be made at no less than the current domestic market price for the product and quality in question". For each of the periods covered by the notification, could India provide:

- c. a breakdown of commodities covered by the notified spending, including values and volumes;
- d. the prices and volumes of the commodities when they were purchased and sold; and
- e. confirmation the food purchases were made at current prices and sales were made at no less than current domestic market prices?

As outlined in footnote 5 of Annex 2 of the AoA, can India confirm whether any aspects of the notified spending cover foodstuffs that were acquired and released at administered prices, requiring the market price support to be notified as AMS?

**AG-IMS ID 88018: Question by Australia - Input subsidies available to low-income or resource-poor producers**

Australia notes that in Supporting Table DS:2 of G/AG/N/IND/13, India has notified spending on agricultural input subsidies of USD 22.8 billion in 2016-17 to low income or resource poor producers under Special and Differential Treatment "Development Programmes."

Paragraph 2, Article 6 of the AoA states, "... input subsidies generally available to low-income or resource-poor producer in developing country Members shall be exempt from domestic support reduction commitments...".

- a. Can India please provide a breakdown of the types of input subsidies covered by the notified spending, including values and volumes?
- b. Can India explain how it ensures its input subsidy programmes notified as exempt from domestic reduction commitments are 'generally available' to low income or resource-poor producers?
  - i. Can India provide details of the eligibility criteria for the programmes to ensure the input subsidies are only provided to low income or resource poor producers?
  - ii. Can India indicate how the programmes are structured to avoid their benefits flowing to other agricultural producers?
- c. Australia notes India's reply to Australia regarding agricultural input subsidies at the June 2018 meeting (AG-IMS ID 87117) that '99.29% of Indian farmers are low-income or resource-poor. Therefore, it is correct to say that benefit of input subsidies is flowing mostly to low income or resource poor farmers.'

- i. Does this mean that India does not have any eligibility criteria for its agricultural input subsidies?
- ii. Is India relying on the high percentage of Indian farmers (99.29%) being low-income or resource poor (based on agricultural census data from 2010-11) to avoid needing eligibility criteria or targeting the subsidies to specific producers?
- d. Does India believe that Article 6.2 of the AoA allows developing country Members to provide agricultural input subsidies to 'any producers' and still be exempt from reduction commitments?

**AG-IMS ID 88015: Question by European Union - Input subsidies available to low-income or resource-poor producers**

In Supporting Table DS:2, it is stated that 99.297% of farm holdings are of low-income and resource poor farmers.

- a. Can India explain what mechanisms are in place to ensure that domestic support measures are specifically targeted to support resource-poor farmers or low-income farmers exclusively?
- b. Can India please indicate the percentage of total agricultural area farmed by farmers with less than 1 ha and less than 5 ha respectively?

**AG-IMS ID 88108: Question by United States of America - Input subsidies available to low-income or resource-poor producers**

Members have repeatedly requested India to provide a breakdown its input subsidies by type and most recently in AG-IMS ID 87117.

- a. Please provide a breakdown of expenditures by the various types for 2016/17.
- b. For each type, please identify the specific programmes or measures that contribute to the notified value.

In addition, please clarify whether the Prime Minister's Agricultural Irrigation Scheme (PMKSY), as well as key components of the PMKSY, are included as part of the value reported as irrigation in response to AG-IMS ID 87117. If not, where is this scheme notified in G/AG/N/IND/13?

- c. For each type, please explain whether the value is a budgetary expenditure and/or a calculated subsidy value.
  - i. If a budgetary expenditure, please identify where this information is available, including specific website link, if appropriate.
  - ii. If a subsidy value, please explain how the value is calculated and the source of the data that contributes to the calculation.
- d. Please confirm whether India's Central government solely provides funding for these various input subsidies or if there is a cost-share between the Central and state governments.

If the later, please confirm what share is provided by the Central government and whether this is the value notified by India in G/AG/N/IND/13 and previous notifications.

**AG-IMS ID 88112: Question by United States of America - Constituent data and methodology (AGST)**

In response to AG-IMS ID 86015, India stated the "pulses" external reference price is the simple average for arhar, moong, urad, and gram. India did not respond to the Australia's question regarding what the external reference price for lentils is that was used. The simple average of the external reference prices for arhar, moong, urad, and gram is Rs. 4,634.50 per tonne (or USD 345.63

using the exchange rate notified by India). However, the average notified by India is Rs. 4,634.95 per tonne in India's local currency (USD 345.66). Assuming a simple average methodology, this indicates India's external reference price for lentils is Rs. 4,636.80 per ton (USD 345.80).

Please confirm this is correct. If not, please identify what the external reference price is for lentils and how it is accounted for in India's recent notifications.

#### **AG-IMS ID 88111: Question by United States of America - Market price support**

For 2016/17, India notified that bajra, jowar, maize, and barley all received the same applied administered price converted to U.S. dollars of 217.37 per tonne. India also notified that gram, arhar, urad, and moong all received the same applied administered price of USD 692.54 per tonne. Please specify the announced MSP for each of these commodities.

#### **AG-IMS ID 88069: Question by Canada - Non-product-specific AMS**

In Supporting Table DS:9, Canada notes that India's Insurance Premium Subsidy expenditure drastically increased, from zero in 2015-16 to USD 2,652.52 million in 2016-2017.

- a. Could India provide information on the level of government subsidy for the insurance premiums and further details on the conditions that led to this increase?
- b. Could India provide information on the insurance schemes for which this premium subsidy applies?

#### **AG-IMS ID 88016: Question by European Union - Non-product-specific AMS**

The European Union notes that Indian Non-Product-Specific support in the form of insurance premium subsidies has increased almost eightfold between 2015/2016 and 2016/2017, from almost 334 million USD in 2015/2016 to almost 2,653 million USD in 2016/2017 (Supporting Table DS:9).

Can India explain more in details the reasons behind this increase in support and which type of insurance premiums are supported?

#### **AG-IMS ID 88110: Question by United States of America - *De minimis***

For 2016/17, please provide the value of production for each commodity notified in Supporting Table DS:4 including rice, wheat, bajra, jowar, maize, barley, gram, arhar, urad, moong, lentils, groundnut, and sunflower, as well as the total value of India agricultural production.

### **2.4.11 Kyrgyz Republic (G/AG/N/KGZ/4)**

#### **AG-IMS ID 88113: Question by United States of America - Transparency issues (including Table DS:2)**

##### Question 1

Since Kyrgyz Republic's last notification for 2012, it appears several new exempt measures have been introduced including "extension and advisory services to the agricultural sector".

- a. Please explain when this new measure was introduced and how it is implemented.
- b. Does Kyrgyz Republic plan to submit a Table DS:2 notification for this measure, as well as overdue DS:1 notifications for 1999-2011 as noted in response to AG IMS ID 85047 and for the years 2013-2014?

##### Question 2

It is noted that Kyrgyz Republic undertook commitments in its domestic currency. While the transparency of the notification of the exchange rate used for U.S. dollars is appreciated, we request Kyrgyz Republic to please notify in its domestic currency.

- c. Does Kyrgyz Republic plan to submit future notifications in its local currency?

#### 2.4.12 Panama (G/AG/N/PAN/47)

##### AG-IMS ID 88114: Question by United States of America - Scheduled commitment level

For 2017, Panama has notified product specific rice support of PAB 41.7 million, equivalent to more than 24% of the value of production, resulting in Panama exceeding its *de minimis* level and in turn its WTO commitments on levels of permitted domestic support. The increase appears to be associated with a significant increase in the eligible production, as the price support of PAB 7.50 per quintal remained unchanged. In response to AG-IMS ID 80090 Panama stated that under the price-differential direct payment, "the volume of price support is based on the volume purchased by the enterprises from the producers".

- a. Please explain the reason why the eligible production increased significantly in 2017.
- b. Please explain what steps are being taken to come back into compliance with Panama's domestic support commitments for 2018 and prevent such occurrences from happening again.
- c. Please provide additional details with regards to how the programme is implemented, including eligibility to receive the payment.
- d. Please indicate, for each of the years 2013 through 2017, what percent of domestic rice, milk, and corn production benefits from the price differential direct payment.

#### 2.4.13 Papua New Guinea (G/AG/N/PNG/1)

##### AG-IMS ID 88013: Question by Australia - Transparency issues (including Table DS:2)

Australia thanks Papua New Guinea for its first Domestic Support notifications as part of this Committee on Agriculture. Australia notes the notifications are for domestic support provided during Calendar Years 2013-2017 excluding 2015 (G/AG/N/PNG/1).

- a. Noting Papua New Guinea's advice that no information was available for Calendar Year 2015, but information was available for the years before and after 2015, can Papua New Guinea explain in more detail if:
  - i. no measures were funded in Calendar Year 2015? or
  - ii. if information for 2015 is not available due to other records management/recordkeeping issues?
- b. Does Papua New Guinea plan on issuing Table DS:2s for the measures listed in the Table DS:1s for Calendar Years 2013-2017 excluding 2015?

#### 2.4.14 Russian Federation (G/AG/N/RUS/21)

##### AG-IMS ID 88004: Question by Ukraine - Transparency issues (including Table DS:2)

In its new and full notification pursuant to Article XVI:1 of the GATT 1994 and Article 25 of the Agreement on Subsidies and Countervailing Measures (G/SCM/N/284/RUS) the Russian Federation indicated Support of Agriculture Machinery Modernization, Innovative Development within the State Programme "Development of Agriculture and Regulation of Agricultural Products, Raw Materials and Foodmarkets for 2013-2020". Assistance is provided to manufacturers of agricultural machinery in the form of direct funding from the federal budget for compensation of costs. Nevertheless, the policy objective is to improve "the efficiency and competitiveness of agricultural producers through technical and technological modernization of production".

- a. Could the Russian Federation please confirm the policy objective of supporting the competitiveness of agricultural producers?
- b. Could the Russian Federation please clarify if they consider this support to fall or not fall under the scope of the Agreement on Agriculture?



- c. Will the Russian Federation notify this measure as part of a revised and updated Table DS:1 notifications?

#### **AG-IMS ID 88117: Question by United States of America - Market price support**

##### Question 1

For 2016, the Russian Federation reported a wheat applied administered price of USD 148.48 per tonne or RUB 9,933.31 per tonne using the notified exchange rate in G/AG/N/RUS/21. The Russian Federation published three intervention prices for the 2016 wheat crop based on quality: RUB 10,900 per tonne for class 3, RUB 10,400 per tonne for class 4, and RUB 8,800 per tonne for class 5 (feed).

- a. Please clarify how the notified applied administered price was determined.

##### Question 2

In 2016, the Russian Federation did not notify a market price support for rye, which had been notified in previous years including 2014 and 2015, as well as 2012. The United States notes that the Russian Federation regularly publishes intervention prices for wheat, barley, rye, and corn, including in 2016. The United States notes that the published applied administered prices for wheat and barley were lower in 2016 than in 2015.

- b. Please confirm the published intervention price for rye in 2016 were discontinued in 2016 and whether there is any plan to reintroduce rye price supports in the future.
- c. Please explain whether a rye price support would have been notified in 2016 had prices fallen significantly below the published intervention price, similar to what happened in 2015 for rye or 2016 for wheat and barley.
- d. Please provide the reason for the decrease in the applied administered prices for wheat and barley.

#### **2.4.15 United States of America (G/AG/N/USA/121)**

#### **AG-IMS ID 88058: Question by India - Classification of measures**

As per a recent notification of the United States (G/AG/N/USA/121), it has spent USD 1.9 billion under the Price Loss Coverage programme and it was notified under the non-product specific support category. PLC programme payments are issued when the effective price of a covered commodity is less than the respective reference price for that commodity. The effective price equals the higher of the market year average price (MYA) or the national average loan rate for the covered commodity. In other words, these payments are based on current prices, therefore provide incentives to the farmers. According to the Environmental Working Group subsidy database, the United States gave a total of USD 948 million to rice producers in 2015 and 2016. By not notifying PLC payments as product specific support, the United States seems to be underestimating the product specific support to various products.

In this regard,

- a. It is requested that the United States may kindly provide product-wise spending under the PLC programme during the years 2015 and 2016.
- b. What is the rationale for notifying PLC as non-product specific support in DS notification?

## **2.5 New or modified Domestic Support measures (Table DS:2)**

### **2.5.1 Ecuador (G/AG/N/ECU/45)**

#### **AG-IMS ID 88012: Question by Australia - Transparency issues (including Table DS:2)**

Australia thanks Ecuador for its Table DS:2 (G/AG/ECU/45) explaining new or modified domestic support measures exempt from reduction.

Regarding the School Meals Programme (PAE), Ecuador notes the PAE entered into force in 2014. Australia understands that the PAE has been implemented since 1989 (referring to UNECLAC information <https://plataformacelac.org/programa/41>).

Can Ecuador explain if the PAE was implemented in the years prior to 2014 and if so, why it is being reported as a new Measure?

## **2.6 Export Subsidy notifications (Tables ES:1, ES:2 and ES:3)**

### **2.6.1 Norway (G/AG/N/NOR/98)**

#### **AG-IMS ID 88010: Question by European Union - Transparency issues**

The European Union welcomes the continuous reduction of Norwegian export subsidies for cheese since 2013. However, reduced export subsidies for cheese could result in a reduced demand for milk produced in Norway.

- a. How does Norway plan to handle this possible loss in demand for milk produced in Norway?
- b. Can Norway explain whether this reduction in export subsidies follows a reduction in the quantity of cheese exported? If this is the case, to which of other dairy products was the corresponding milk quantities diverted?

#### **AG-IMS ID 88054: Question by New Zealand - Transparency issues**

Can Norway provide more detail about its notified producer finance subsidies?

### **2.6.2 Panama (G/AG/N/PAN/44)**

#### **AG-IMS ID 88115: Question by United States of America - Special and differential treatment (Article 9.4)**

The United States notes that in G/AG/N/PAN/44 Panama notifies that no export subsidies were provided from 2004 through 2017. However, the measure Certificados de Fomento a la Agroexportación (CEFA), in accordance to Panamanian law (Annex 1 law No. 82 31 December 2009), was started in calendar year 2010, and provides agricultural producers with an export subsidy for marketing costs incurred in concepts of handling, packaging and inland and ocean freight costs.

Please explain the basis for not notifying this measure in Supporting Table ES:2.

## **3 OVERDUE NOTIFICATIONS**

### **3.1.1 China**

#### **AG-IMS ID 88009: Question by Australia**

Australia notes China's latest domestic support notification (G/AG/N/CHN/29) covers the reporting period 2009-2010.

Can China please inform Members on its efforts to provide updated domestic support notifications from 2011 onwards?

**AG-IMS ID 88082: Question by United States of America**

The United States notes that China has never notified Table ES:3 (showing the total volume of food aid provided). According to press reports from Xinhua, China in prior years provided bilateral in-kind food aid (in particular rice and wheat, among other commodities) in response to emergency appeals, which is consistent with China's Nairobi commitments. Does China plan to submit a Table ES:3 for relevant years? If not, please explain.

**3.1.2 Egypt****AG-IMS ID 88083: Question by United States of America**

The United States notes that Egypt's last notification (G/AG/N/EGY/2) concerning export subsidy commitments (Table ES:1) is for the year 1998 and has not yet responded to the export competition questionnaire.

Please provide all overdue Table ES:1 notifications, including Supporting Table ES:2, and respond to the export competition questionnaire.

**3.1.3 Ghana****AG-IMS ID 88084: Question by United States of America**

The United States notes that Ghana's last notification (G/AG/N/GHA/2) concerning export subsidy commitments (Table ES:1) is for the year 2000 and has not yet responded to the export competition questionnaire.

Please provide all overdue Table ES:1 notifications, and respond to the export competition questionnaire.

**3.1.4 India****AG-IMS ID 88085: Question by United States of America**

The United States notes that India is overdue in providing the Committee on Agriculture with its notification (Table ES:1) or response to the export competition questionnaire for any year following marketing year 2009/10, including any export subsidy measures that meet the criteria of Article 9(d-e) in Supporting Table ES:2 notifications. Also, according to news sources, India in prior years has provided bilateral in-kind food aid (in particular rice and wheat) in response to emergency appeals, which is consistent with India's Nairobi commitments.

- a. Please provide all overdue Table ES:1 notifications, including Supporting Table ES:2.
- b. Please notify Table ES:3 for relevant years. If not, please explain.

**3.1.5 Kenya****AG-IMS ID 88086: Question by United States of America**

The United States notes that Kenya's last notification (G/AG/N/KEN/1) concerning export subsidy commitments (Table ES:1) is for the year 1995 and has not yet responded to the export competition questionnaire. Please provide all overdue export subsidy notifications, Table ES:1.

**3.1.6 Korea, Republic of****AG-IMS ID 88008: Question by Australia**

Australia notes the Republic of Korea's latest domestic support notification (G/AG/N/KOR/53) covers the reporting period 2009-2011.

Can the Republic of Korea please inform Members on its efforts to provide updated domestic support notifications from 2012 onwards?

### 3.1.7 Morocco

#### AG-IMS ID 88007: Question by Australia

Australia notes Morocco's last submission of domestic support notifications was in March 2012 and related to the period 2003-2007 (G/AG/N/MAR/37).

- a. Can Morocco provide an update on its progress to submit outstanding domestic support notifications?

### 3.1.8 Pakistan

#### AG-IMS ID 88087: Question by United States of America

The United States notes that Pakistan is overdue in providing the Committee on Agriculture with its notifications (Table ES:1 and ES:2) or response to the export competition questionnaire for any year following marketing year 2012/2013, including any export subsidy measures that meet the criteria of Article 9 (d-e) in Supporting Table ES:2 notifications. Also, according to news sources, Pakistan in prior years has provided bilateral in-kind food aid (in particular rice and wheat) in response to emergency appeals, which is consistent with Pakistan's Nairobi commitments.

Please provide all overdue notifications, including Table ES:1, including Supporting Table ES:2, Table ES:2, and Table ES:3.

### 3.1.9 Tanzania

#### AG-IMS ID 88081: Question by United States of America

The United States notes that Tanzania has never notified its export subsidy commitments (Table ES:1) and has not yet responded to the export competition questionnaire. Please provide all overdue export subsidy notifications, Table ES:1.

### 3.1.10 Turkey

#### AG-IMS ID 88006: Question by Australia

Further to Australia's question (85062) at CoA 85<sup>th</sup> meeting regarding Turkey's outstanding notifications: Could Turkey provide an update on its progress to submit outstanding domestic support and export subsidy notifications?

#### AG-IMS ID 88005: Question by European Union

When will Turkey forward the missing notifications on export subsidies and Domestic Support?

## 4 OTHER

### 4.1.1 India

#### AG-IMS ID 88088: Question by United States of America

Export Subsidy - G/AG/W/125/Rev.9/Add.1 and Export Credit - G/AG/W/125/Rev.9/Add.2

The United States notes that government of India through the Reserve Bank of India (RBI), since 2015, has implemented the scheme: Interest Equalization Scheme on Pre and Post Shipment Rupee Export Credit for eligible exporters for agricultural products. The rate of interest equalization is 3% and the scheme is available to certain exports, including 24 HS4 digit agricultural and food products.

- a. Is RBI lending to exporters of agricultural products while providing at the same time interest rate support?
- b. Please explain in further detail how this measure is implemented by RBI, including the specific eligibility criteria for payments.

- c. Please explain how this measure complies with India's WTO commitments, and if directly lending is provided by RBI, why this export financing support activity has not been reported as part of the Export Competition Questionnaire.

#### **4.1.2 Indonesia**

##### **AG-IMS ID 88089: Question by United States of America**

Export Credit - G/AG/W/125/Rev.8/Add.2

The United States resubmits AG-IMS ID 87054:

Please provide responses to the export credit competition questionnaire (ECQ) with regards to any export financing support programmes being operated by the Indonesian government-owned entities Lembaga Pembiayaan Ekspor Indonesia (Indonesia EximBank) and PT Asuransi Ekspor Indonesia (ASEI), which are reported in Indonesia's Trade Policy Review (WT/TPR/S/278/Rev.1). According to Indonesia EximBank's annual reports financing for agriculture was USD 764.6 million in 2015 and USD 818.7 million in 2016.

#### **4.1.3 Japan**

##### **AG-IMS ID 88090: Question by United States of America**

Export Credit - G/AG/W/125/Rev.9/Add.2

Japan noted in response to questions posed by the United States in June that average annual repayment term, average premium rates and programme use by year are "unavailable because the IT system is not built to extract such data." What steps is Japan taking to collect the required information?

#### **4.1.4 Pakistan**

##### **AG-IMS ID 88091: Question by United States of America**

Export Credit - G/AG/W/125/Rev.9/Add.2

The United States notes that on 11 June 2015 Pakistan incorporated the EXIM Bank of Pakistan as public limited entity and would provide export credit, supplier's credit, export credit insurance and export credit guarantees. The United States also notes that the State Bank of Pakistan provides re-financing support to banks on their financing to exporters under the Export Finance Scheme (EFS) and the Islamic Export Refinance Scheme (IERS) for eligible commodities.

Please explain the basis for not reporting the export financing activities of EXIM Bank of Pakistan and the State Bank of Pakistan.

#### **4.1.5 Paraguay**

##### **AG-IMS ID 88093: Question by United States of America**

Export Credit - G/AG/W/125/Rev.9/Add.2

Paraguay's National Development Bank (Banco Nacional de Fomento) and the Livestock Fund (Fondo Ganadero), which are discussed in Paraguay's Trade Policy Review (WT/TPR/M/245/Rev.1), appear to fall within the definition of Article 1.1(a)1 of the SCM.

Noting that the scope of the Ministerial Decision on Export Competition is not limited to agricultural-specific programmes, please explain why the National Development Bank and the Livestock Fund export financing support activities have not been reported by Paraguay in response to the Export Competition Questionnaire.