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Committee on Agriculture

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NOTIFICATION

The following submission, dated 30 March 2020, is being circulated at the request of the Delegation of **India**. The notification concerns domestic support commitments (**Table DS:1** and the relevant supporting tables) for the **marketing year 2018-2019**.

Pursuant to the Bali Ministerial Decision on Public Stockholding for Food Security Purposes (WT/MIN (13)/38) and the General Council Decision (WT/L/939), India wishes to notify the Committee on Agriculture that it has exceeded the *de minimis* level for rice for the marketing year 2018-2019. India's breach of commitment for rice, a traditional staple food crop, under Article 7.2(b) of the Agreement on Agriculture (AoA) arises from support provided in pursuance of public stockholding programmes for food security purposes which were in existence as of the date of the Bali Ministerial Decision on Public Stockholding for Food Security Purposes (WT/MIN (13)/38). India's public stockholding programmes for food security purposes (covering rice and a number of other commodities) have been consistently reported in its Table DS:1 notifications since 1995. The programme is consistent with the criteria of paragraph 3, footnote 5, and footnote 5&6 of Annex 2 to the AoA. Further, the stocks under the programme are acquired and released in order to meet the domestic food security needs of India's poor and vulnerable population, and not to impede commercial trade or food security of others. For these reasons, the breach of the *de minimis* limits for rice is covered by the peace clause set out in the Bali Ministerial Decision on Public Stockholding for Food Security Purposes (WT/MIN (13)/38) and the General Council Decision (WT/L/939).

India's domestic support notification for 2018/19 as well as additional information pursuant to paragraph 3 of the Bali Ministerial Decision is provided hereunder.

Table DS:1

DOMESTIC SUPPORT: INDIA

REPORTING PERIOD: MARKETING YEAR FROM 1 OCTOBER 2018 TO 30 SEPTEMBER 2019

Current Total Aggregate Measurement of Support

Total AMS commitment level (from Section I of Part IV of the Schedule)	Currency (from Section I of Part IV of the Schedule)	Current Total AMS (from attached Supporting Tables)
1	2	3
		5,004.97

India has no specific total AMS reduction commitments in its schedule. Domestic support to agricultural producers was provided through operations of the Ministry of Agriculture and Farmers' Welfare and other government departments. The attached supporting tables provide details of agricultural measures. All support for 2018/19, except the product-specific AMS for rice, is covered by the domestic support categories which are exempt from reduction commitments under the Agreement on Agriculture. The attached supporting tables provide details of support measures for 2018/19.

Supporting Table DS:1

DOMESTIC SUPPORT: INDIA

REPORTING PERIOD: MARKETING YEAR FROM 1 OCTOBER 2018 TO 30 SEPTEMBER 2019

Measures exempt from the reduction commitment - "Green Box"

Measure Type	Name and description of measure with reference to criteria in Annex 2	Monetary value USD, million	Data Sources	Note
1	2	3	4	
2.General Services				
2 (a). Research		1,010	Ministry of Agriculture and Farmer's Welfare & various boards	
	Subtotal:	1,010		
2 (b). Pest and disease control		55.96	Ministry of Agriculture and Farmer's Welfare & various boards	
	Subtotal:	55.96		
2 (c). Training services		35.59	Ministry of Agriculture and Farmer's Welfare & various boards	
	Subtotal:	35.59		
2 (d). Extension and advisory services		894.9	Ministry of Agriculture and Farmer's Welfare & various boards	
	Subtotal:	894.9		
2 (e). Inspection services		23.51	Ministry of Agriculture and Farmer's Welfare & various boards	
	Subtotal:	23.51		
2 (f). Marketing and promotion services		569.5	Ministry of Agriculture and Farmer's Welfare & various boards	
	Subtotal:	569.5		
2 (g). Infrastructural services		947.79	Ministry of Agriculture and Farmer's Welfare & various boards	
	Subtotal:	947.79		
	Subtotal General Services	3,537.25		
3. Public stockholding for food security purposes	Allocation for distribution and buffer stock	17,212.05	Ministry of Consumer Affairs, Food & Public Distribution (FCI)	
	Subtotal:	17,212.05		

Measure Type	Name and description of measure with reference to criteria in Annex 2	Monetary value USD, million	Data Sources	Note
1	2	3	4	
6. Decoupled income support	Pradhan Mantri Kisan Samman Nidhi (PM-KISAN)	852.70	Ministry of Agriculture and Farmers' Welfare	
	Subtotal:	852.70		
8. Payments for relief from natural disasters	Payments (made either directly or by way of government financial participation in crop insurance schemes) for relief from natural disasters	879.56	Ministry of Agriculture and Farmer's Welfare	(1)
	Subtotal:	879.56		
Grand Total Green Box		22,481.56		

(1) Government subsidies on premiums of agricultural insurance for production loss exceeding 30% of the average of production.

Supporting Table DS:2

DOMESTIC SUPPORT: INDIA

REPORTING PERIOD: MARKETING YEAR FROM 1 OCTOBER 2018 TO 30 SEPTEMBER 2019

Measures exempt from the reduction commitment – Special and Differential Treatment – "Development Programmes"

Measure Type	Name and description of measure with reference to criteria in Article 6.2	Monetary value USD, million	Data Sources	Note
1	2	3	4	
(b) Input subsidies available to low-income or resource-poor producers	Other input subsidies	24,184.46	Ministry of Agriculture and Farmers' Welfare, Ministry of Chemicals and Fertilizers, Ministry of Power, Ministry of Statistics and Program Implementation	(1)
	Subtotal:	24,184.46		
Grand Total Development Programmes		24,184.46		

(1) Includes support for irrigation, fertilizers, and electricity. As per the Agricultural Census, 99.43% of farmers are low-income or resource poor in 2015-16.

Supporting Table DS:4

DOMESTIC SUPPORT: INDIA

REPORTING PERIOD: MARKETING YEAR FROM 1 OCTOBER 2018 TO 30 SEPTEMBER 2019

Calculation of the Current Total Aggregate Measurement of Support

Description of basic products (including non-product specific AMS)	Product specific AMS (from ST DS:5 to DS:7) USD, million	Product-specific EMS (from ST DS:8) USD, million	Total (2 + 3) USD, million	Current Total AMS USD, million	Note
1	2	3	USD, million	4	
Coarse cereal	9.56		9.56	0 (<i>de minimis</i>)	
Cotton	261.41		261.41	0 (<i>de minimis</i>)	
Groundnut	133.00		133.00	0 (<i>de minimis</i>)	
Pulses	952.54		952.54	0 (<i>de minimis</i>)	
Rapeseed / Mustard	76.25		76.25	0 (<i>de minimis</i>)	
Rice	5,004.97		5,004.97	5,004.97	(1)
Soyabean Yellow	4.99		4.99	0 (<i>de minimis</i>)	
Sunflower	0.71		0.71	0 (<i>de minimis</i>)	
Wheat	-30.53		-30.53	0 (<i>de minimis</i>)	
Non-product-specific AMS(from ST/DS:9)			3,317.13	0 (<i>de minimis</i>)	
TOTAL				5,004.97	

(1) Value of production of rice was USD 43,673.29 million for 2018-19.

Supporting Table DS:5

DOMESTIC SUPPORT: INDIA

REPORTING PERIOD: MARKETING YEAR FROM 1 OCTOBER 2018 TO 30 SEPTEMBER 2019

Product-Specific Aggregate Measurements of Support: Market Price Support

Description of basic products	Reporting Year			Measure Types	Applied administered price	External reference price (generally from AGST)	Eligible production	Associated fees / levies	Total market price support ((4-5)*6)-7	Data Sources	Note
	Type	From	To								
1	2			3	4	5	6	7	8	9	
					USD	USD		USD, million	USD, million		
Coarse cereal	MY	01-10-18	30-09-19	Price support	285.17/Tonne	238.57/Tonne	0.2 million Tonnes		9.56		
Total Coarse cereal									9.56		
Cotton	MY	01-10-18	30-09-19	Price support	1,781.25/Tonne	1,292.64/Tonne	0.54 million Tonnes		261.41		(1)
Total Cotton									261.41		
Groundnut	MY	01-10-18	30-09-19	Price support	699.34/Tonne	514.58/Tonne	0.72 million Tonnes		133		
Total Groundnut									133		
Pulses	MY	01-10-18	30-09-19	Price support	782.15/Tonne	345.66/Tonne	2.18 million Tonnes		952.54		
Total Pulses									952.54		
Rapeseed / Mustard	MY	01-04-18	31-03-19	Price support	600.66/Tonne	513.39/Tonne	0.87 million Tonnes		76.25		
Total Rapeseed / Mustard									76.25		
Rice	MY	01-10-18	30-09-19	Price support	375.41/Tonne	262.51/Tonne	44.33 million Tonnes		5,004.97		(2), (3)
Total Rice									5,004.97		
Soyabean Yellow	MY	01-11-18	31-10-19	Price support	486.11/Tonne	229.77/Tonne	0.02 million Tonnes		4.99		
Total Soyabean Yellow									4.99		
Sunflower	MY	01-10-18	30-09-19	Price support	770.56/Tonne	513.39/Tonne	0.003 million Tonnes		0.71		
Total Sunflower									0.71		
Wheat	MY	01-04-18	31-03-19	Price support	263.15/Tonne	264/Tonne	35.8 million Tonnes		-30.53		
Total Wheat									-30.53		

- (1) Applied administered price is announced for raw cotton. For calculation, a co-efficient of 2.35 has been used for conversion from raw to lint cotton.
(2) Applied administered price is announced for common paddy. For converting to the equivalent price of rice, a coefficient of 1.5 has been used.
(3) Other support for rice, that is, other than public stockholding for food security purposes, will be notified subsequently.

Note:

Exchange rate for:

1986-88: Rs.13.409/USD;

2018-19: Rs. 69.9229/USD

Support for each of the listed products is below the relevant "product-specific" de minimis level (Article 6.4(b) refers), except for rice.

Supporting Table DS:9

DOMESTIC SUPPORT: INDIA

REPORTING PERIOD: MARKETING YEAR FROM 1 OCTOBER 2018 TO 30 SEPTEMBER 2019

Non-Product-Specific AMS

Measure Types	Reporting Year			Non-product-specific budgetary outlays USD, million	Other non-product specific support (include calculation details) USD, million	Associated fees / levies USD, million	Total non-product-specific support (3+4-5) USD, million	Data Sources	Note
	Type	From	To						
1	2			3	4	5	6	7	
Insurance Premium Subsidy	MY	01-10-18	30-09-19	1,673.08			1,673.08	Ministry of Agriculture and Farmers' Welfare	(1)
Interest subsidy	FY	01-04-18	31-03-19	1,644.05			1,644.05	Ministry of Agriculture and Farmers' Welfare	
TOTAL							3,317.13		

(1) Government subsidies on premiums of agricultural insurance for production loss not exceeding 30% of the average of production.

ANNEX**PURSUANT TO THE BALI MINISTERIAL DECISION OF 7 DECEMBER 2013 ON PUBLIC STOCKHOLDING FOR FOOD SECURITY PURPOSES****INDIA****General information****1. Factual information confirming that DS:1 notifications and relevant supporting tables for the preceding 5 years are up-to-date (e.g. date and document details).**

The DS:1 notification detail for preceding 5 years are as follows:

2018-19	G/AG/N/IND/18	31 March 2020
2017-18	G/AG/N/IND/15	29 March 2019
2016-17	G/AG/N/IND/13/Corr.1	30 July 2018
2016-17	G/AG/N/IND/13	20 July 2018
2015-16	G/AG/N/IND/12	1 May 2018
2014-15	G/AG/N/IND/12	1 May 2018

2. Details of the programme sufficient to identify food security objective and scale of the programme, including:**a. Name of the programme:**

1. Minimum support price (MSP) programme
2. In order to achieve the food security of the country, the Government of India and various State Governments implement, welfare schemes such as the Public Distribution System and National Food Security Act, 2013 through various agencies.

b. Traditional staple food crop(s) covered

Rice, Wheat, Coarse Grains and Pulses

c. Agency in charge of implementation

These programmes are implemented jointly by the Central Government (Ministry of Consumer Affairs, Food and Public Distribution, Food Corporation of India (FCI), National Agricultural Cooperative Federation of India (NAFED)) and State governments

d. Relevant laws and regulations

National Food Security Act, 2013; various Public Distribution System (Control) Orders and their subsequent amendments issued under the Essential Commodities Act, 1955; and various State legislations/orders.

e. Date of commencement of the programme

Public Distribution System: Since 1960s
National Food Security Act: 2013

f. Officially published objective criteria or guidelines

The main objectives of food security programmes are –

1. ensuring Minimum Support Price to the farmers;
2. equitable distribution of available foodgrains at affordable prices to the marginalized and vulnerable sections of society throughout the year;
3. to maintain stability in foodgrains prices throughout the country during the year; and
4. to maintain an adequate buffer stock of foodgrains to deal with fluctuations in production and to meet unforeseen exigencies and natural calamities.

3. Practical description of how the programme operates, including:**a. Provisions relating to the purchase of stocks, including the way the administered acquisition price is determined****b. Provisions related to volume and accumulation of stocks, including any provisions related to pre-determined targets and quantitative limits****c. Provisions related to the release of stocks, including the determination of the release price and targeting (eligibility to receive procured stocks)**

3 (a-c): The Government policy of procurement of foodgrains has the objectives of ensuring Minimum Support Price (MSP) to the farmers and the availability of foodgrains to the marginalized and vulnerable sections at affordable prices. It also ensures effective market intervention thereby keeping the prices under check and also adding to overall food security of the country.

Before the harvest during each Rabi / Kharif Crop season, the Government of India announces the minimum support prices (MSP) for procurement on the basis of the recommendation of the Commission for Agricultural Costs and Prices (CACP) which along with other factors, takes into consideration the cost of various agricultural inputs and a reasonable margin for farmers for their produce.

Centre and State Governments, through their agencies such as Food Corporation of India (FCI), National Agricultural Cooperative Federation of India (NAFED) and others, procure foodgrains from farmers at the Minimum Support Price in order to meet the overall demand of different welfare schemes.

To meet the operational requirements of foodgrains and exigencies at any point of time, Government of India maintains stock of foodgrains in the Central Pool stock. The Stocking Norms comprise: (a) Operational stocks - for meeting monthly distributional requirements under food security programme; and, (b) Food Security stocks/reserves - for meeting shortfall in procurement.

In order to achieve food security in the country, the Government is implementing the National Food Security Act, 2013 (NFSA) which provides for coverage of 75 % of rural and 50% of urban population at the all-India level, to receive foodgrains at subsidized price of Rs.1/2/3 per kg for coarse grains/ wheat/rice. The subsidized prices are determined by the Government keeping the objective of food security of people in view. The coverage under NFSA is under two categories- (a) households covered under Antyodaya Anna Yojana (AAY) and, (b) the remaining households as priority Households. AAY covers 2.5 crore poorest of the poor households across the country and have been identified by State Governments on the basis of guidelines prescribed by the Central Government. Priority households have been identified using State-specific criteria evolved by the State Governments. In addition to rice, wheat and coarse cereals, the Centre and State Governments also distribute pulses to eligible households under the public distribution system (PDS).

4. A description of any measures aimed at minimising production or trade distortive effects of the programme

Government does not undertake exports on a commercial basis from public stockholdings. Additionally, open market sales of food grains from public stockholding are made provided the buyer gives an undertaking of not exporting from such purchases.

5. Statistical information (as per the Statistical Appendix below)**6. Any other information considered relevant, including website references**

Department of Food and Public Distribution: <http://dfpd.nic.in>

Ministry of Women and Child Development: <http://www.wcd.nic.in>

Ministry of Human Resource Development: <http://mhrd.gov.in>

Ministry of Rural Development: <http://rural.nic.in>

Ministry of Defence: <http://mod.nic.in>

STATISTICAL APPENDIX (RICE)

PURSUANT TO THE BALI MINISTERIAL DECISION OF 7 DECEMBER 2013, ON PUBLIC STOCKHOLDING FOR FOOD SECURITY PURPOSES

INDIA

	Unit	2016-17	2017-18	2018-19
Rice				
a. Opening balance of stocks	Million Ton	28.811	29.784	30.043
b. Annual purchases under the programme (value) (c*f)	Billion USD	12.53	13.75	16.64
c. Annual purchases under the programme (quantity)	Million Ton	38.11	38.13	44.33
d. Annual releases under the programme (value)	Billion USD	1.50	1.59	1.48
e. Annual releases under the programme (quantity)	Million Tons	33.52	34.20	34.40
f. Purchase prices	USD/Ton	328.75	360.72	375.41
g. Release prices	USD/Ton	44.73	46.54	42.90
h. End-year stocks	Million Ton	29.784	30.043	29.39
i. Total production (quantity)	Million Ton	110.15	112.91	116.48
j. Total production (value)	Billion USD	37.86	42.23	43.67
k. Information on population benefiting from the release of this crop and quantities released:				
- Estimated number of beneficiaries at national level and, if possible, at sub- national level	Percentage	75% of rural population and 50% of urban population at the all India level		
- Quantity released to the beneficiaries at the national level and, if possible, at the sub-national level	Million Tons	33.52	34.20	34.40
- Other Open market Sale (Domestic)	Million Ton	0.19	0.46	0.85
l. In the case of government aid to private storage, statistics on the support granted and any updated statistics	Godowns being constructed by private investors under the Private Entrepreneurs Guarantee Scheme (PEG) are eligible for getting subsidy from NABARD under Gramin Bhandaran Yojna, promoted by the Ministry of Agriculture.			
m. Total imports (value) *	Million USD	0	0	0
n. Total imports (quantity) *	Million Ton	0	0	0
o. Total exports (value) *	Million USD	0	0	0
p. Total exports (quantity) *	Million Ton	0	0	0

* Only export and import from public stockholdings have been considered.