

1 April 2022

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Committee on Agriculture

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NOTIFICATION

The following submission, dated 31 March 2022, 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 2020/2021**.

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 2020-2021. 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 on 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 2020/21 as well as additional information pursuant to paragraph 3 of the Bali Ministerial Decision is provided hereunder.

DOMESTIC SUPPORT: INDIA

REPORTING PERIOD: MARKETING YEAR FROM 1 OCTOBER 2020 TO 30 SEPTEMBER 2021

Current Total Aggregate Measurement of Support

Total AMS commitment level	Currency	Current Total AMS
(from Section I of Part IV of the Schedule)	(from Section I of Part IV of the Schedule)	(from attached Supporting Tables)
1	2	3
	USD million	6,908.60*

* Based on the available provisional data

General Note:

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 2020/21, 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 2020/21.

Exchange rate for 2020-21: Rs. 74.225 /USD (Annual Average, Source: RBI).

DOMESTIC SUPPORT: INDIA

REPORTING PERIOD: MARKETING YEAR FROM 1 OCTOBER 2020 TO 30 SEPTEMBER 2021

Measures exempt from the reduction commitment - "Green Box"

Measure Type	Name and description of measure with reference to criteria in Annex 2	Monetary value	Data Sources	Note
		USD, million		
1	2	3	4	
2.General Services				
2 (a). Research		1,070.11	Ministry of Agriculture and Farmers' Welfare & various Boards	
	Subtotal:	1,070.11		
2 (b). Pest and disease control		149.39	Ministry of Agriculture and Farmers' Welfare & various Boards	
	Subtotal:	149.39		
2 (c). Training services		62.87	Ministry of Agriculture and Farmers' Welfare & various Boards	
	Subtotal:	62.87		
2 (d). Extension and advisory services		718.86	Ministry of Agriculture and Farmers' Welfare & various Boards	
	Subtotal:	718.86		
2 (e). Inspection services		4.62	Ministry of Agriculture and Farmers' Welfare & various Boards	
	Subtotal:	4.62		
2 (f). Marketing and promotion services		384.13	Ministry of Agriculture and Farmers' Welfare & various Boards	
	Subtotal:	384.13		
2 (g). Infrastructural services		727.82	Ministry of Agriculture and Farmers' Welfare & various Boards	
	Subtotal:	727.82		
	Subtotal General Services	3,117.80		

Measure Type	Name and description of measure with reference to criteria in Annex 2	Monetary value	Data Sources	Note
		USD, million		
1	2	3	4	
3. Public stockholding for food security purposes	Allocation for distribution and buffer stock	29,212.93	Ministry of Consumer Affairs, Food & Public Distribution (FCI)	(1)
	Subtotal:	29,212.93		
6. Decoupled income support	Pradhan Mantri Kisan Samman Nidhi (PM-KISAN)	8,216.89	Ministry of Agriculture and Farmers' Welfare & various Boards	
	Subtotal:	8,216.89		
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	1,108.38	Ministry of Agriculture and Farmers' Welfare & various Boards	(2)
	Subtotal:	1,108.38		
11. Structural adjustment assistance provided through investment aids	Waiving off Agricultural loan	1,675.88	Ministry of Agriculture and Farmers' Welfare	
	Subtotal:	1,675.88		
Grand Total Green Box		43,331.88		

Notes:

- (1) Based on the available provisional data.
- (2) Government subsidies on premium of agricultural insurance for production loss exceeding 30% of the average of production.

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	30,923.35	Ministry of Chemicals and Fertilizers, Ministry of Power, Ministry of Statistics and Program Implementation	(1)	
	Subtotal:	30,923.35			
Grand Total Development Programmes		30,923.35			

Note:

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

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)	Product-specific EMS (from ST DS:8)	Total (2 + 3)	Current Total AMS USD, million	Note
	USD, million	USD, million	USD, million		
1	2	3		4	
Coarse cereal	92.11		92.11	0 (de minimis)	
Cotton	784.97		784.97	0 (de minimis)	
Groundnut	56.87		56.87	0 (de minimis)	
Pulses	978.11		978.11	0 (de minimis)	
Rice	6,908.60		6,908.60	6,908.60	(1)(2)
Soyabean Yellow	0.00108		0.00108	0 (de minimis)	
Sunflower	1.09		1.09	0 (de minimis)	
Wheat	81.10		81.10	0 (de minimis)	
Non-product-specific AMS(from ST/DS:9)	0 (de minimis)				
TOTAL				6,908.60	

Note:

- (1) Based on the available provisional data.
- (2) Value of production of rice was USD 45,569.62 million for 2020-21.

DOMESTIC SUPPORT: INDIA

REPORTING PERIOD: MARKETING YEAR FROM 1 OCTOBER 2020 TO 30 SEPTEMBER 2021

Product-Specific Aggregate Measurements of Support: Market Price Support

Description of basic	ion of basic Reporting Year		Measure	Applied	External	Eligible production	Associated	Total market	Data	Note	
products	Type	From	То	Types	administered price	reference price (generally from AGST)		fees / levies	price support ((4-5)*6)-7	Sources	
					USD	USD		USD, million	USD, million		
1		2		3	4	5	6	7	8	9	
Coarse cereal	MY	01-10-20	30-09-21	Price support	317.84/Tonne	238.57/Tonne	1.162 million Tonnes		92.11		
Total Coarse cereal									92.11		
Cotton	MY	01-10-20	30-09-21	Price support	1,795.14/Tonne	1,292.64/Tonne	1.56213 million Tonnes		784.97		(1)
Total Cotton									784.97		
Groundnut	MY	01-10-20	30-09-21	Price support	710.68/Tonne	514.58/Tonne	0.29 million Tonnes		56.87		
Total Groundnut									56.87		
Pulses	MY	01-10-20	30-09-21	Price support	792.08/Tonne	345.66/Tonne	2.191 million Tonnes		978.11		
Total Pulses									978.11		
Rice	MY	01-10-20	30-09-21	Price support	377.50/Tonne	262.51/Tonne	60.08 million Tonnes		6,908.60		(2) (3) (4)
Total Rice									6,908.60		1
Soyabean Yellow	MY	01-10-20	30-09-21	Price support	522.73/Tonne	229.77/Tonne	0.0000037 million Tonnes		0.00108		
Total Soyabean Yellow									0.00108		
Sunflower	MY	01-10-20	30-09-21	Price support	792.86/Tonne	513.39/Tonne	0.0039 million Tonnes		1.09		
Total Sunflower									1.09		
Wheat	MY	01-10-20	30-09-21	Price support	266.08/Tonne	264/Tonne	38.99 million Tonnes		81.10		
Total Wheat									81.10		

Notes:

- (1) Applied administered price is arrived at after considering a co-efficient of 2.35 for conversion of raw cotton to lint cotton.
- (2) Applied administered price is procurement price for common paddy. For converting to the equivalent price of rice a coefficient of 1.5 has been used.
- Other support for rice, that is, other than public stockholding for food security purposes, will be notified subsequently.
- (4) Based on the available provisional data.

General Notes:

- 1) Exchange rate for 1986-88: Rs.13.409/USD.
- 2) Exchange rate for 2020-21: Rs. 74.225 /USD (Annual Average, Source: RBI).
- 3) Support for each of the listed products is below the relevant "product-specific" *de minimis* level (Article 6.4(b) refers), except rice.
- 4) Column 8 is rounded off to two decimal points (to five decimal points for 'Soybean Yellow').

Non-Product-Specific AMS

Measure Types		Reporting Ye	ear	Non-product-	Other non-product	Associated	Total non-	Data	Note
	Туре	From	То	specific budgetary outlays	specific support (include calculation details)	fees / levies	product-specific support (3+4-5)	Sources	
				USD, million	USD, million	USD, million	USD, million		
1		2		3	4	5	6	7	
Insurance Premium Subsidy	MY	01-10-20	30-09-21	2,598.54			2,598.54	Ministry of Agriculture and Farmers' Welfare	(1)
Interest Subsidy	FY	01-04-20	31-03-21	2,396.73			2,396.73	Ministry of Agriculture and Farmers' Welfare	
TOTAL	•	•				•	4,995.27		

Note:

(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:

2020-21	G/AG/N/IND/27	1 April 2022
2019-20	G/AG/N/IND/25	8 April 2021
2018-19	G/AG/N/IND/18	31 March 2020
2017-18	G/AG/N/IND/15	29 March 2019
2016-17	G/AG/IND/13/Corr.1	30 July 2018
2016-17	G/AG/N/IND/13	20 July 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 stable 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 Yoiana (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

Rice	Unit	2018-19	2019-20	2020-21*
a. Opening balance of stocks	Million Ton	30.04	29.39	32.23
b. Annual purchases under the programme (value) (c*f)	Billion USD	16.64	19.97	22.68
c. Annual purchases under the programme (quantity)	Million Ton	44.33	51.997	60.08
d. Annual releases under the programme (value)	Billion USD	1.48	1.41	2.17
e. Annual releases under the programme (quantity)	Million Ton	34.40	33.36	53.81
f. Purchase prices	USD/Ton	375.41	384.01	377.50
g. Release prices	USD/Ton	42.90	42.31	40.42
h. End-year stocks#	Million Ton	29.39	32.23	29.12
i. Total production (quantity)	Million Ton	116.48	118.43	122.27
j. Total production (value)	Billion USD	43.67	46.08	45.57
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		population and the all-India le	
- Quantity released to the beneficiaries at the national level and, if possible, at the sub-national level	Million Ton	34.40	33.36	53.81
- Other Open market Sale (Domestic)	Million Ton	0.85	1.61	2.46
I. In the case of government aid to private storage, statistics on the support granted and any updated statistics	the Private E eligible for ge	ng constructed ntrepreneurs G etting subsidy f Yojana, promo	luarantee Sche from NABARD	me (PEG) are under Gramin
m. Total imports (value) **	Million USD	0	0	0
n. Total imports (quantity) **	Million Ton	0	0	0
o. Total export (value) Million USD **	Million USD	0	0	0
p. Total export (quantity) Million Ton **	Million Ton	0	0	0

^{*} Based on the available provisional data

^{**} Only export and import from public stockholding have been considered.

[#] End year stocks reflected in the table do not take into account the unmilled paddy.