



31 March 2023

(23-2274)

Page: 1/12

Committee on Agriculture

Original: English

NOTIFICATION

The following submission, dated 30 March 2023, 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 2021/2022**.

In addition to the DS:1 notification, this submission also contains India's notification 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 notifies the Committee on Agriculture that it has exceeded the *de minimis* limit specified under Article 7.2(b) of the Agreement on Agriculture (AoA) for rice, a traditional staple food crop, for the marketing year 2021-2022. The *de minimis* level for rice has been exceeded pursuant to the support provided through public stockholding programmes for food security purposes ('PSH programmes'), 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 has fulfilled and continues to fulfil its domestic support notification requirements under the AoA in accordance with document G/AG/2 of 30 June 1995, including in respect of its PSH programmes. 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 distort trade or adversely affect the food security of other Members. 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 2021-22 under G/AG/2, as well as additional information pursuant to paragraph 3 of the Bali Ministerial Decision in respect of the PSH programme for rice, is provided hereunder.

Table DS:1**DOMESTIC SUPPORT: INDIA**

REPORTING PERIOD: MARKETING YEAR FROM 01-10-2021 TO 30-09-2022

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 | 7,549.17 |

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 2021-22, 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 2021-22.

Exchange rate for 2021-22: Rs. 74.5039 /USD (Annual Average, Source: RBI).

Supporting Table DS:1
DOMESTIC SUPPORT: INDIA

REPORTING PERIOD: MARKETING YEAR FROM 01-10-2021 TO 30-09-2022

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 | | 1,145 | Ministry of Agriculture & Farmers Welfare and other ministries and boards | |
| | Subtotal: | 1,145 | | |
| 2 (b). Pest and disease control | | 122.5 | Ministry of Agriculture & Farmers Welfare and other ministries and boards | |
| | Subtotal: | 122.5 | | |
| 2 (c). Training services | | 59.16 | Ministry of Agriculture & Farmers Welfare and other ministries and boards | |
| | Subtotal: | 59.16 | | |
| 2 (d). Extension and advisory services | | 589.22 | Ministry of Agriculture & Farmers Welfare and other ministries and boards | |
| | Subtotal: | 589.22 | | |
| 2 (e). Inspection services | | 3.4 | Ministry of Agriculture & Farmers Welfare and other ministries and boards | |
| | Subtotal: | 3.4 | | |
| 2 (f). Marketing and promotion services | | 343.08 | Ministry of Agriculture & Farmers Welfare and other ministries and boards | |
| | Subtotal: | 343.08 | | |

| 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 (g). Infrastructural services | | 494.97 | Ministry of Agriculture & Farmers Welfare and other ministries and boards | |
| | Subtotal: | 494.97 | | |
| | Subtotal General Services | 2,757.32 | | |
| 3. Public stockholding for food security purposes and 4. Domestic food aid | Allocation for distribution and buffer stock | 28,061.61 | Ministry of Consumer Affairs, Food & Public Distribution (FCI) | |
| | Subtotal: | 28,061.61 | | |
| 5. Direct payments to producers | | | | |
| 6. Decoupled income support | Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) | 8,969.34 | Ministry of Agriculture & Farmers Welfare | |
| | Subtotal: | 8,969.34 | | |
| 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 | 974.85 | Ministry of Agriculture & Farmers Welfare | (1) |
| | Subtotal: | 974.85 | | |
| Grand Total Green Box | | 40,763.13 | | |

Notes:

- (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 01-10-2021 TO 30-09-2022

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 | 32,079.49 | Ministry of Chemicals and Fertilizers, Ministry of Power, Ministry of Statistics and Programme Implementation | (1) |
| | Subtotal: | 32,079.49 | | |
| Grand Total Development Programmes | | 32,079.49 | | |

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

Supporting Table DS:4

DOMESTIC SUPPORT: INDIA

REPORTING PERIOD: MARKETING YEAR FROM 01-10-2021 TO 30-09-2022

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 | Note |
|--|---|-------------------------------------|-----------------|------------------------------|------|
| | USD, million | USD, million | USD, million | USD, million | |
| 1 | 2 | 3 | | 4 | |
| Coarse cereal | 52.4 | | 52.4 | 0 (<i>de minimis</i>) | |
| Cotton | 0.01 | | 0.01 | 0 (<i>de minimis</i>) | |
| Groundnut | 34.48 | | 34.48 | 0 (<i>de minimis</i>) | |
| Pulses | 1,497.24 | | 1,497.24 | 0 (<i>de minimis</i>) | |
| Rice | 7,549.17 | | 7,549.17 | 7,549.17 | (1) |
| Sunflower | 0.56 | | 0.56 | 0 (<i>de minimis</i>) | |
| Wheat | 279.81 | | 279.81 | 0 (<i>de minimis</i>) | |
| Non-product-specific AMS(from ST/DS:9) | | | 5,469.61 | 0 (<i>de minimis</i>) | |
| TOTAL | | | | 7,549.17 | |

Note:

(1) Value of production of production of rice was USD 49,606.90 million for 2021-22.

Supporting Table DS:5

DOMESTIC SUPPORT: INDIA

REPORTING PERIOD: MARKETING YEAR FROM 01-10-2021 TO 30-09-2022

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 | |
| Coarse cereal | MY | 01-10-21 | 30-09-22 | Price support | 327.23/Tonne | 238.57/Tonne | 0.59 million Tonnes | | 52.4 | | |
| Total Coarse cereal | | | | | | | | | 52.4 | | |
| Cotton | MY | 01-10-21 | 30-09-22 | Price support | 1853.25/Tonne | 1292.64/Tonne | 0.00002 million Tonnes | | 0.01 | | (1) |
| Total Cotton | | | | | | | | | 0.01 | | |
| Groundnut | MY | 01-10-21 | 30-09-22 | Price support | 744.93/Tonne | 514.58/Tonne | 0.15 million Tonnes | | 34.48 | | |
| Total Groundnut | | | | | | | | | 34.48 | | |
| Pulses | MY | 01-10-21 | 30-09-22 | Price support | 821.57/Tonne | 345.66/Tonne | 3.15 million Tonnes | | 1497.24 | | |
| Total Pulses | | | | | | | | | 1497.24 | | |
| Rice | MY | 01-10-21 | 30-09-22 | Price support | 390.58/Tonne | 262.51/Tonne | 58.94 million Tonnes | | 7549.17 | | (2) |
| Total Rice | | | | | | | | | 7549.17 | | |
| Sunflower | MY | 01-10-21 | 30-09-22 | Price support | 807.34/Tonne | 513.39/Tonne | 0.0019 million Tonnes | | 0.56 | | |
| Total Sunflower | | | | | | | | | 0.56 | | |
| Wheat | MY | 01-04-21 | 31-03-22 | Price support | 270.46/Tonne | 264/Tonne | 43.34 million Tonnes | | 279.81 | | |
| Total Wheat | | | | | | | | | 279.81 | | |

General Notes:

- Exchange rate for 1986-88: Rs.13.409/USD.
 - Exchange rate for 2021-22: Rs. 74.5039 /USD (Annual Average, Source: RBI).
 - Support for each of the listed products is below the relevant "product-specific" *de minimis* level (Article 6.4(b) refers), except rice.
 - Column 8 is rounded off to two decimal points.
- Applied administered price is arrived at after considering a co-efficient of 2.35 for conversion of raw cotton to lint cotton.
 - 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.

Supporting Table DS:9

DOMESTIC SUPPORT: INDIA

REPORTING PERIOD: MARKETING YEAR FROM 01-10-2021 TO 30-09-2022

Non-Product-Specific AMS

| Measure Types | Reporting Year | | | Non-product-specific budgetary outlays | Other non-product specific support (include calculation details) | Associated fees / levies | Total non-product-specific support (3+4-5) | Data Sources | Note |
|---------------------------|----------------|----------|----------|--|--|--------------------------|--|--|------|
| | Type | From | To | | | | | | |
| 1 | 2 | | | 3 | 4 | 5 | 6 | 7 | |
| Insurance Premium Subsidy | MY | 01-10-21 | 30-09-22 | 2,586.95 | | | 2,586.95 | Ministry of Agriculture and Farmers' Welfare | (1) |
| Interest Subsidy | FY | 01-04-21 | 31-03-22 | 2,882.66 | | | 2,882.66 | Ministry of Agriculture and Farmers' Welfare | |
| TOTAL | | | | | | | 5,469.61 | | |

(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:

| | | |
|---------|---------------|---------------|
| 2021-22 | G/AG/N/IND/29 | 31 March 2023 |
| 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 |

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) for procurement of foodgrains from farmers; and
2. Public Distribution System (PDS) of foodgrains and other welfare schemes.

b. Traditional staple food crop(s) covered

Rice, Wheat, Coarse Grains and Pulses. The Bali Ministerial Decision on Public Stockholding for Food Security Purposes (WT/MIN(13)/38) read with the General Council Decision (WT/L/939), has been invoked only in respect of rice for the Marketing Year 2021-22, and previously for the Marketing Years 2018-19, 2019-2020 and 2020-2021.

c. Agency in charge of implementation

Ministry of Agriculture & Farmers Welfare, Ministry of Consumer Affairs, Food & Public Distribution, Government of India;
Food Corporation of India (FCI);
National Agricultural Cooperative Federation of India (NAFED); and
State governments and their agencies.

d. Relevant laws and regulations

The relevant laws and rules are as follows:

1. **Essential Commodities Act, 1955 and the Targeted Public Distribution System (Control) Order, 2015**
2. **Food Corporations Act, 1964 and the Food Corporations Rules, 1965**
3. **National Food Security Act, 2013, and Rules:**
 - a) Provisioning of Funds to State Government for Short Supply of Food Grains Rules, 2014
 - b) Cash Transfer of Food Subsidy Rules, 2015
 - c) Food Security (Assistance to State Governments) Rules, 2015
 - d) Food Security Allowance Rules, 2015
 - e) Mid-Day Meal Rules, 2015

- f) Supplementary Nutrition (under the Integrated Child Development Services Scheme) Rules, 2017
- g) Pradhan Mantri Matru Vandana Yojana Rules, 2022
- h) Integrated Nutrition Support Programme- Saksham Anganwadi and Poshan (2.0), Rules, 2022

e. Date of commencement of the programme

Public Distribution System and Minimum Support Price: Since the 1960s National Food Security Act: 2013

f. Officially published objective criteria or guidelines

The main objectives are to:

- a) Provide farmers remunerative prices
- b) Maintain a public distribution system to ensure provision of food and nutritional security in human life cycle approach, by ensuring access to adequate quantity of quality food at affordable prices to people to live a life with dignity; and
- c) Maintain satisfactory level of operational and buffer stocks of foodgrains and stability of prices to ensure national food security.

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)**

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. The Central Government, together with State Governments, procure foodgrains from farmers at the MSP, with a view to achieving the objectives of food security. This is maintained in the central pool which is used for the allocations under the public distribution system and other welfare schemes, including calamity relief.

Volume and accumulation of stocks are determined in accordance with the mandate of the National Food Security Act, 2013 which specifies coverage of up to 75% of rural and 50% of urban population at the national level, as well as nutritional support for children, and pregnant and lactating mothers, and the manner of allocation and distribution across the country. Keeping in view the objective of food security for the people of India, the Government determines the manner in which eligible households and other specified beneficiaries are to be identified to receive foodgrains at subsidized prices. Eligibility of households is under two categories (a) priority households and (b) households covered under Antyodaya Anna Yojana (AAY). Priority households are identified using state-specific criteria determined by the State Governments. AAY covers poorest of the poor households across the country and are identified by State Governments on the basis of guidelines prescribed by the Central Government.

4 A DESCRIPTION OF ANY MEASURES AIMED AT MINIMISING PRODUCTION OR TRADE DISTORTIVE EFFECTS OF THE PROGRAMME

The purpose and focus of the programme is to meet the food security need of the country. Any excess stocks of food grains in the central pool are released through Open Market Sale Scheme (Domestic) ("OMSS (D)") through e-auctions, subject to undertaking from the bidders to not undertake any exports.

5 STATISTICAL INFORMATION (AS PER THE STATISTICAL APPENDIX BELOW)

The Statistical Appendix provides the additional data in respect of rice.

6 ANY OTHER INFORMATION CONSIDERED RELEVANT, INCLUDING WEBSITE REFERENCES:

Statutes

(a) Food Corporations Act, 1964:

<https://www.indiacode.nic.in/bitstream/123456789/1415/1/196437.pdf>

(b) Essential Commodities Act, 1955:

https://www.indiacode.nic.in/bitstream/123456789/1579/1/A1955_10.pdf

(c) National Food Security Act, 2013:

<https://www.indiacode.nic.in/bitstream/123456789/2113/1/201320.pdf>

Department of Food and Public Distribution

(a) Public Distribution: <https://dfpd.gov.in/pd-Introduction.htm>

(b) Other welfare schemes: <https://dfpd.gov.in/PDS-OWS.htm>

STATISTICAL APPENDIX (RICE)
PURSUANT TO THE BALI MINISTERIAL DECISION OF 7 DECEMBER 2013,
ON PUBLIC STOCKHOLDING FOR FOOD SECURITY PURPOSES

INDIA

| Rice | Unit | 2019-20 | 2020-21 | 2021-22 |
|---|--|--|---------|---------|
| a. Opening balance of stocks | Million Ton | 27.63 | 24.75 | 34.75 |
| b. Annual purchases under the programme (value) (c*f) | Billion USD | 19.97 | 22.68 | 23.02 |
| c. Annual purchases under the programme (quantity) | Million Ton | 51.997 | 60.08 | 58.94 |
| d. Annual releases under the programme (value) | Billion USD | 2.15 | 1.88 | 2.50 |
| e. Annual releases under the programme (quantity) | Million Ton | 50.70 | 46.62 | 62.05 |
| f. Purchase prices | USD/Ton | 384.01 | 377.50 | 390.58 |
| g. Release prices | USD/Ton | 42.31 | 40.42 | 40.27 |
| h. End-year stocks | Million Ton | 24.75 | 34.75 | 28.39 |
| i. Total production (quantity) | Million Ton | 118.43 | 122.27 | 129.64 |
| j. Total production (value) | Billion USD | 46.08 | 45.57 | 49.61 |
| 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 Ton | 50.70 | 46.62 | 62.05 |
| - Other Open market Sale (Domestic) | Million Ton | 2.42 | 1.69 | 0.6 |
| 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 & Farmers' Welfare. | | | |
| 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 |

- (i) Except for item (j.), the data in the table is reported using Marketing Year (October to September). The data in item (j.) is reported using the Financial Year (April to March).
- (ii) Opening balance of stocks and end-year stocks of rice at items (a.) and (h.) respectively, comprise of actual stock of rice and takes into account unmilled paddy which has been converted into equivalent of milled rice by using conversion ratio of 2/3.
- (iii) 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
- (iv) Theoretically, Opening balance of stocks + Annual purchases under the programme - Annual releases under the programme - Total exports + Total imports - Open market sale (Domestic) = End-year stocks. Any difference in the stock is mainly because of conversion of unmilled paddy into rice and losses during transportation and due to loss of moisture.
- (v) For items (m.), (n.), (o.), and (p.) only exports from and import for public stockholding have been considered.