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Committee on Agriculture

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NOTIFICATION

The following submission, dated 14 December 2021, is being circulated at the request of the delegation of **the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu**. The notification concerns domestic support commitments (**Table DS:1** and the relevant supporting tables) for the **Calendar Year 2018**.

Table DS:1

DOMESTIC SUPPORT: THE SEPARATE CUSTOMS TERRITORY OF TAIWAN, PENGHU, KINMEN AND MATSU

REPORTING PERIOD: CALENDAR YEAR 2018

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
14,165.15	TWD/million	8,979.17

Supporting Table DS:1

DOMESTIC SUPPORT: THE SEPARATE CUSTOMS TERRITORY OF TAIWAN, PENGHU, KINMEN AND MATSU

REPORTING PERIOD: CALENDAR YEAR 2018

Measures exempt from the reduction commitment - "Green Box"

Measure Type	Name and description of measure with reference to criteria in Annex 2	Monetary value TWD, million	Data Sources	Note
1	2	3	4	
2.General Services				
2 (a). Research	General research, research in relation to environmental programmes and product-specific research programmes. (Annex 2, paragraph 2(a))	3,703.1	Documents of budget	
	Subtotal:	3,703.1		
2 (b). Pest and disease control	Pest and disease prevention: General and product-specific pest and disease control measures and schemes. (Annex 2, paragraph 2(b))	479.42	Documents of budget	
	Subtotal:	479.42		
2 (c). Training services	Training services: Education and training. (Annex 2, paragraph 2(c))	1,213.65	Documents of budget	
	Subtotal:	1,213.65		
2 (d). Extension and advisory services	Extension and advisory services: Programmes for practical application of new technologies, technology improvement of agricultural production, compilation and provision of statistical data and information, strengthening of management of agricultural organizations. (Annex 2, paragraph 2(d))	1,509.64	Documents of budget	
	Subtotal:	1,509.64		
2 (e). Inspection services	Inspection services: The inspection and control of veterinary medicine, feed, food, pesticide residue, water quality, and grading and the implementation of Chinese Taipei's Agricultural Standard system. (Annex 2, paragraph 2(e))	336.19	Documents of budget	
	Subtotal:	336.19		
2 (f). Marketing and promotion services	Marketing and promotion services: Programmes for the improvement of the marketing, processing and consumption of food; Establishment of wholesale market. (Annex 2, paragraph 2(f))	1,612.33	Documents of budget	
	Subtotal:	1,612.33		
2 (g). Infrastructural services	Infrastructural services: Planning and construction of irrigation/drainage facilities and rural roads, land consolidation for agricultural sector and establishment of rural community. (Annex 2, paragraph 2(g))	20,431.29	Documents of budget	
	Subtotal:	20,431.29		
	Subtotal General Services	29,285.62		

Measure Type	Name and description of measure with reference to criteria in Annex 2	Monetary value TWD, million	Data Sources	Note
1	2	3	4	
8. Payments for relief from natural disasters	Aid for natural disaster: government payments for relief of damaged incomes by natural disasters. (Annex 2, paragraph 8)	1,411.18	Agricultural Statistics Yearbook	
	Interest subsidy: Special loans granted to farmers for the relief of damaged farms due to natural disasters.(Annex 2, paragraph 8) a. Loan types, borrowers, purposes, credit lines, loan interest, loan maturity, repayments, and lending institutions. b. Fund is sourced from the Agricultural Development Fund.	125.9	Bureau of Agricultural Finance COA	
	Subtotal:	1,537.08		
10. Structural adjustment assistance provided through resource retirement programmes	Land retirement programmes: The conversion of farm land to forestry use and island-wide reforestation. (Annex 2, paragraph 10)	510.49	Documents of budget	
	Subtotal:	510.49		
12. Environmental programmes	Interest subsidy for pollution reduction: provision of low interest loans to hog farmers for the purchase of pollution prevention facilities. (Annex 2, paragraph 12)	3.51	Bureau of Agricultural Finance COA	
	Programmes for preventing pollution, managing agricultural waste and monitoring on the pollution of the water and soil, for promoting the sustainable use of farm land. (Annex 2, paragraph 12)	298.87	Documents of budget	
	Interest subsidy: Loan granted to farmers for the use of water and soil conservation. (Annex 2, paragraph 12)	1.95	Bureau of Agricultural Finance COA	
	Land conservation subsidy: payments for the maintenance of farmland in environmentally good condition by growing green manure crops or environment-friendly crops, or setting-aside. (Annex 2, paragraph 12)	5,510.66	Agriculture and Food Agency, COA	
	Subtotal:	5,814.99		
13. Regional assistance programmes	Programmes for disadvantaged farms: Integrated agricultural construction and environmental improvement programmes for disadvantaged farms. (Annex 2, paragraph 13)	19.45	Documents of budget	
	Subtotal:	19.45		
Grand Total Green Box		37,167.63		

Supporting Table DS:4

DOMESTIC SUPPORT: THE SEPARATE CUSTOMS TERRITORY OF TAIWAN, PENGHU, KINMEN AND MATSU

REPORTING PERIOD: CALENDAR YEAR 2018

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) TWD, million	Product-specific EMS (from ST DS:8) TWD, million	Total (2 + 3) TWD, million	Value of production TWD, million	Support as a % of value of production	Current Total AMS TWD, million	Note
1	2	3				4	
Rice	8,113.14		8,113.14	42,986.46	18.87%	8,113.14	
Tobacco leaves	0		0			0 (<i>de minimis</i>)	
Sugar	175.00		175.00	557.94	31.37%	175.00	
Feed Corn	391.37		391.37	615.95	63.54%	391.37	
Soybean	155.16		155.16	180.54	85.94%	155.16	
Vegetables	126.07		126.07	3,394.92	3.71%	0 (<i>de minimis</i>)	(1)
Forage crops	144.5		144.5	1,156.55	12.49%	144.5	
Other crops	105.83		105.83	8,569.33	1.23%	0 (<i>de minimis</i>)	(2)
Non-product-specific AMS(from ST/DS:9)			1,848.46	436,132.59	0.42%	0 (<i>de minimis</i>)	(3)
TOTAL						8,979.17	

General Note:

Value of production is reported in "Agricultural Statistics Yearbook" published by the Council of Agriculture.

Notes:

- (1) "Vegetables" include vegetable soybeans, carrots, lettuce. The calculated AMS is not subject to reduction or inclusion in the current AMS because the calculated AMS is less than 5% of value of production (*de minimis* exclusion).
- (2) "Other crops" include wheat, buck wheat, sesame, jobs tears, chinese mesona, sorghum, oiltea camellia and tea. The calculated AMS is not subject to reduction or inclusion in the current AMS because the calculated AMS is less than 5% of value of production (*de minimis* exclusion).
- (3) Total value of production is calculated as the sum of the value of production of the crops listed in Supporting Table DS:4 (i.e., rice, feed corn, soybean, sugar, vegetables, forage crops and other crops) and the value of production of all other crops (not in AMS calculation) which stands at TWD 378,670.89 million. The calculated AMS is not subject to reduction or inclusion in the current AMS because the calculated AMS is less than 5% of value of production (*de minimis* exclusion).

Supporting Table DS:5
DOMESTIC SUPPORT: THE SEPARATE CUSTOMS TERRITORY OF TAIWAN, PENGHU, KINMEN AND MATSU

REPORTING PERIOD: CALENDAR YEAR 2018

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	
Japonica Rice	CY	01-01-18	31-12-18	Price support level for rice is calculated on the basis of government planned purchase.	26/Kilogram	8.92/Kilogram	192,705 thousand Kilograms		3,291.40	AFA	(1)
Japonica Rice	CY	01-01-18	31-12-18	Price support level for rice is calculated on the basis of government supplementary purchase.	23/Kilogram	8.92/Kilogram	109,855 thousand Kilograms		1,546.76	AFA	(1)
Japonica Rice	CY	01-01-18	31-12-18	Price support level for rice is calculated on the basis of government additional purchase.	21.6/Kilogram	8.92/Kilogram	227,763 thousand Kilograms		2,888.03	AFA	(1)
Indica Rice	CY	01-01-18	31-12-18	Price support level for rice is calculated on the basis of government planned purchase.	25/Kilogram	7.1/Kilogram	864 thousand Kilograms		15.47	AFA	(1)
Indica Rice	CY	01-01-18	31-12-18	Price support level for rice is calculated on the basis of government supplementary purchase.	22/Kilogram	7.1/Kilogram	519 thousand Kilograms		7.73	AFA	(1)
Indica Rice	CY	01-01-18	31-12-18	Price support level for rice is calculated on the basis of government additional purchase.	20.6/Kilogram	7.1/Kilogram	1,129 thousand Kilograms		15.24	AFA	(1)
Indica Rice (long)	CY	01-01-18	31-12-18	Price support level for rice is calculated on the basis of government planned purchase.	25/Kilogram	7.1/Kilogram	1526 thousand Kilograms		27.32	AFA	(1)

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	
Indica Rice (long)	CY	01-01-18	31-12-18	Price support level for rice is calculated on the basis of government supplementary purchase.	22/Kilogram	7.1/Kilogram	871 thousand Kilograms		12.98	AFA	(1)
Indica Rice (long)	CY	01-01-18	31-12-18	Price support level for rice is calculated on the basis of government additional purchase.	20.6/Kilogram	7.1/Kilogram	1,330 thousand Kilograms		17.96	AFA	(1)
Glutinous Rice	CY	01-01-18	31-12-18	Price support level for rice is calculated on the basis of government planned purchase.	25/Kilogram	5.75/Kilogram	58 thousand Kilograms		1.12	AFA	(1)
Glutinous Rice	CY	01-01-18	31-12-18	Price support level for rice is calculated on the basis of government supplementary purchase.	22/Kilogram	5.75/Kilogram	27 thousand Kilograms		0.44	AFA	(1)
Glutinous Rice	CY	01-01-18	31-12-18	Price support level for rice is calculated on the basis of government additional purchase..	20.6/Kilogram	5.75/Kilogram	39 thousand Kilograms		0.58	AFA	(1)
Total Rice									7,825.03		
Tobacco leaves	CY	01-01-18	31-12-18	Contract guaranteed purchase	0/Kilogram	0/Kilogram	thousand Kilograms			TTLT	(2)
Total Tobacco leaves									0		
Sugar	CY	01-01-18	31-12-18	Contract guaranteed purchase	24.88/Kilogram	8.23/Kilogram	5,224 thousand Kilograms		86.98	TSC	(3)
Total Sugar									86.98		

Notes:

- (1) "Applied administered price of rice" is sourced from "Taiwan Food Statistics Book" published by Agriculture and Food Agency (AFA). "External reference price" is based on the CIF price of rice imported by Hong Kong, China in 1990-1992, which serves as the arithmetic average of the price in 1990-1992. The Separate Customs Territory of Taiwan, Penghu, Kinmen, and Matsu did not import rice, and thus did not have data on rice imports. Hong Kong, China is the closest territory to the Separate Customs Territory of Taiwan, Penghu, Kinmen, and Matsu and shares similar rice consumption pattern with the latter; therefore, data on rice imports in Hong Kong, China are used as external reference for rice. "Imported value and volume of rice in Hong Kong, China" is sourced from "Hong Kong Trade Statistics". "Exchange rate of NT dollars to HK dollars" is sourced from "Hong Kong Monthly Digest of Statistics". "Conversion rates of paddy to milled rice" is sourced from Agriculture and Food Agency (AFA). "Eligible production of rice" is sourced from Agriculture and Food Agency AFA.
- (2) Since 2018, "Applied administered price of tobacco leaves" has been abolished.
- (3) "Applied administered price of sugar" and "eligible production of sugar" are sourced from Taiwan Sugar Corporation (TSC). "External reference price of sugar" is based on the CIF imported price of sugar in 1991. Data are sourced from Taiwan Sugar Corporation (TSC).

Supporting Table DS:6

DOMESTIC SUPPORT: THE SEPARATE CUSTOMS TERRITORY OF TAIWAN, PENGHU, KINMEN AND MATSU

REPORTING PERIOD: CALENDAR YEAR 2018

Product-Specific Aggregate Measurements of Support: Non-Exempt Direct Payments

Description of basic products	Reporting Year			Measure Types	Applied administered price	External reference price (generally from AGST)	Eligible production	Total price related direct payments ((4-5)*6)	Other non exempt direct payments	Associated fees/levies	Total direct payment (7+8-9)	Data Sources	Note
	Type	From	To										
1	2			3	4	5	6	7	8	9	10	11	
Rice	CY	01-01-18	31-12-18	Diversion Payments					288.11		288.11	AFA	(1)
Total Rice											288.11		
Feed Corn	CY	01-01-18	31-12-18	Diversion Payments					391.37		391.37	AFA	(1)
Total Feed Corn											391.37		
Soybean	CY	01-01-18	31-12-18	Diversion Payments					155.16		155.16	AFA	(1)
Total Soybean											155.16		
Vegetables	CY	01-01-18	31-12-18	Diversion Payments					126.07		126.07	AFA	(1)
Total Vegetables											126.07		
Forage crops	CY	01-01-18	31-12-18	Diversion Payments					144.5		144.5	AFA	(1)
Total Forage crops											144.5		
Sugar	CY	01-01-18	31-12-18	Diversion Payments					50.33		50.33	AFA	(1)
Total Sugar											50.33		
Other crops	CY	01-01-18	31-12-18	Diversion Payments					105.83		105.83	AFA	(1)
Total Other crops											105.83		

Note:

- (1) Under the Adjusting the Cultivation System and Revitalizing Fallow Land Program, for farmers converting rice production to supported crops (feed corn, soybean, vegetables, forage crops, sugar and other crops (refer to footnote 2 in Supporting table DS:4)), there is a diversion payment of NT\$25,000-NT\$70,000 per hectare paid.

Supporting Table DS:7

DOMESTIC SUPPORT: THE SEPARATE CUSTOMS TERRITORY OF TAIWAN, PENGHU, KINMEN AND MATSU

REPORTING PERIOD: CALENDAR YEAR 2018

Product-Specific Aggregate Measurements of Support: Other Product-Specific Support and Total Product-Specific AMS

Description of basic products	Reporting Year			Measure Types	Other product-specific budgetary outlays	Other product-specific support (with calculation details)	Associated fees/levies	Total other product-specific support (4+5-6)	Market price support (from ST DS:5)	Non-exempt direct payments (from ST DS:6)	Total AMS (7+8+9)	Data Sources	Note
	Type	From	To		TWD, million	TWD, million		TWD, million	TWD, million	TWD, million	TWD, million		
1	2			3	4	5	6	7	8	9	10	11	
Total Rice									7,825.03	288.11	8,113.14		
Total Tobacco leaves													
Sugar	CY	01-01-18	31-12-18	Freight subsidy	36.94			36.94				TSC	
Sugar	CY	01-01-18	31-12-18	Other subsidies	0.75			0.75					(1)
Total Sugar								37.69	86.98	50.33	175.00		
Feed Corn	CY	01-01-18	31-12-18	Drying subsidy	0			0					
Total Feed Corn								0		391.37	391.37		
Total Soybean										155.16	155.16		
Total Vegetables										126.07	126.07		
Total Forage crops										144.5	144.5		
Total Other crops										105.83	105.83		

Notes:

- (1) Other subsidies for sugar include interest subsidy for loans for the purchase of inputs, insurance premium for sugarcane farm, fees for pest and disease control, inspection fees for sugar brix and others.

Supporting Table DS:9

DOMESTIC SUPPORT: THE SEPARATE CUSTOMS TERRITORY OF TAIWAN, PENGHU, KINMEN AND MATSU

REPORTING PERIOD: CALENDAR YEAR 2018

Non-Product-Specific AMS

Measure Types	Reporting Year			Non-product-specific budgetary outlays TWD, million	Other non-product specific support (include calculation details) TWD, million	Associated fees/levies TWD, million	Total non-product-specific support (3+4-5) TWD, million	Data Sources	Note
	Type	From	To						
1	2			3	4	5	6	7	
Input subsidy: Agricultural machinery price subsidy	CY	01-01-18	31-12-18	89.29			89.29	Documents of budget	(1)
Input subsidy: Fertilizer freight subsidy	CY	01-01-18	31-12-18	362.9			362.9	AFA	(2)
Input subsidy: Agricultural Fertilizer price difference subsidy	CY	01-01-18	31-12-18	0			0	AFA	(3)
Input subsidy: Waiver or reduction of fees for electricity used for agricultural production	CY	01-01-18	31-12-18	264.57			264.57	Taiwan Power Company, MOEA	(4)
Input subsidy: Fuel subsidy for agricultural machinery	CY	01-01-18	31-12-18	0			0	AFA	(5)
Interest subsidy	CY	01-01-18	31-12-18	934.31			934.31	Bureau of Agricultural Finance, COA	(6)
Insurance subsidy: Livestock insurance program	CY	01-01-18	31-12-18	197.39			197.39	Dept. of Animal Industry, COA	(7)
TOTAL							1,848.46		

Notes:

- (1) 1. Objective: to facilitate adjustment in agricultural production and distribution so as to expedite modernization of the agricultural sector.
2. For:
a. Farmers actually engaged in production.
b. Machinery should pass the functional test by Taiwan Agricultural Research Institute.
c. Assistance to each farm family is limited to one machine for each type of machine.
3. Subsidy for each machine does not exceed 50% of the machine price.
- (2) To subsidize the cost of transporting the fertilizers for farmers.

- (3) Fertilizer for agricultural use is provided at preferential prices.
 - (4)
 - 1. Under Agricultural Development Act, minimum charges for electricity used directly in agricultural production may be waived when the electricity is not used; and the cumulative formulae will not be applied in the calculation of electricity used.
 - 2. The scope of exemption covers:
 - a. Electricity used for agricultural irrigation facilities.
 - b. Electricity used for agricultural planting and processing of products after harvest.
 - c. Electricity used for the refrigeration and storage of products.
 - d. Electricity used in livestock farming.
 - (5) Fuel used for agricultural machinery is provided an exemption from 5% Business Tax and subsidized the difference of 50% oil price increase.
 - (6) Special loans granted to farmers for:
 - a. Loan for expanding the family farm to support farmers buying lands.
 - b. Loan for farm machinery.
 - c. Loan for agricultural food industry in guidance and assistance of management.
 - d. Loan for livestock and poultry industry in improving the management efficiency.
 - e. Loan for farmers management improvement and agriculture production and marketing groups.
 - f. Preferential loan extended to those business who move into the Agricultural Technology Park.
 - (7)
 - 1. The farmers' associations are entrusted by the government to conduct the livestock insurance programmes.
 - 2. Insurance coverage: dairy cattle and hogs.
 - 3. Insurance items: death of dairy cattle on farm and death of hog during transportation.
 - 4. Indemnities: the insured amount paid to farmers is varied in accordance with respective insurance programmes and limited to 80% of market value in general.
 - 5. The premiums are subsidized by the government as follows: 30% for hog transportation insurance and 60% for dairy cattle insurance.
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