

10 May 2017

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(17 - 2505)

**Committee on Agriculture** 

#### EXPORT SUBSIDIES, EXPORT CREDITS, EXPORT CREDIT GUARANTEES OR INSURANCE PROGRAMMES, INTERNATIONAL FOOD AID AND AGRICULTURAL EXPORTING STATE TRADING ENTERPRISES

#### BACKGROUND DOCUMENT BY THE SECRETARIAT<sup>1</sup>

#### Revision

1. The Ministerial Declaration on Export Competition (document WT/MIN(13)/40 and WT/L/915) adopted by Ministers on 7 December 2013 at the 9<sup>th</sup> WTO Ministerial Conference in Bali (the "Bali Declaration") states, *inter alia*, that:

"10. Accordingly, we commit to enhance transparency and to improve monitoring in relation to all forms of export subsidies and all export measures with equivalent effect, in order to support the reform process.

11. We therefore agree to hold dedicated discussions on an annual basis in the Committee on Agriculture to examine developments in the field of export competition. This examination process shall provide an opportunity for Members to raise any matter relevant to the export competition pillar, in furtherance of the final objective set out in the 2005 Hong Kong Ministerial Declaration.

12. This examination process shall be undertaken on the basis of timely notifications under the relevant provisions of the Agreement on Agriculture and related decisions, complemented by information compiled by the WTO Secretariat, consistent with the practice followed in 2013<sup>2</sup>, on the basis of Members' responses to a questionnaire, as illustrated in the Annex."

2. The first and second annual dedicated discussions took place respectively on 5 June 2014 and 4 June 2015 at the regular meetings of the Committee on Agriculture.<sup>3</sup>

3. These dedicated discussions were based on a background document by the Secretariat<sup>4</sup>, which compiled information from Members' relevant notifications along with responses to an export competition questionnaire circulated by the Chairperson of the Committee on Agriculture.<sup>5</sup>

4. The Ministerial Decision on Export Competition (document WT/MIN(15)/45 - WT/L/980) adopted by Ministers on 19 December 2015 at the 10<sup>th</sup> WTO Ministerial Conference in Nairobi (the "Nairobi Decision") states, *inter alia*, that:

"4. The Committee on Agriculture shall monitor the implementation of this Decision by Members in accordance with existing notification requirements under the Agreement on Agriculture, as complemented by the provisions set out in the Annex to this Decision."

<sup>&</sup>lt;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. It has been prepared for information only and is not intended to provide any authoritative or official legal interpretation of the provisions of the WTO Agreements in general or in relation to any specific entity or measure listed in this document.

<sup>&</sup>lt;sup>2</sup> TN/AG/S/27 and TN/AG/S/27/Rev.1.

 $<sup>^3</sup>$  See summary reports issued as document G/AG/R/75 and document G/AG/R/78 as modified by document G/AG/R/78/Corr.1

<sup>&</sup>lt;sup>4</sup> Documents G/AG/W/125, G/AG/W/125/Rev.1, G/AG/W/125/Rev.2 and G/AG/W/125/Rev.3 and their addenda. The documents were updated after the meetings to include additional information from Members.

<sup>&</sup>lt;sup>5</sup> The questionnaires circulated respectively on 10 February 2014 and 26 November 2014 reflected the Elements for Enhanced Transparency on Export Competition contained in the Annex to the Bali Declaration.

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5. The Annex to the Nairobi Decision states that, consistent with the Bali Declaration, Members shall continue to provide information on export subsidies, export credit, export credit guarantees or insurance programs, international food aid and agricultural exporting state trading enterprises, within the context of an annual examination process based on the structure contained in the Annex to the Nairobi Decision.

6. In addition, footnote 17 of the Nairobi Decision states that "Notwithstanding paragraph 4 of this Decision, developing country Members, unless they are in a position to do so at an earlier date, shall implement this Annex no later than five years following the date of adoption of this Decision".

7. Based on these elements, the Chairperson of the Committee on Agriculture circulated on 20 January 2016 a questionnaire in accordance with the terms of the Annex of the Nairobi Decision, in preparation for the annual examination process referred to in this Annex.

8. The third annual dedicated discussion took place at the 7 June 2016 regular meeting of the Committee on Agriculture, based on the Secretariat's background document G/AG/W/125/Rev.4 and its four addenda which constitute an integral part of it, circulated on 11 May 2016.

9. To conclude this third annual examination process, the Secretariat circulated an updated version (document G/AG/W/125/Rev.5 and its four addenda) to include additional information and replies received from Members up to 1 July 2016.

10. On 31 October 2016, the Chairperson of the Committee on Agriculture circulated a questionnaire, in accordance with the terms of the Annex of the Nairobi Decision, in preparation for the annual examination process referred to therein. This examination process will take place during the June 2017 regular meeting of the Committee on Agriculture.

11. Consistent with previous practice under the Bali Declaration, the present document and its four addenda update document G/AG/W/125/Rev.5, with the addition of replies to the questionnaire circulated on 31 October 2016, as well as relevant information from Table ES:1 and ES:3 notifications, and notifications to the Working Party on State Trading Enterprises received by the Secretariat up to 5 May 2017.

12. The following Members replied to the questionnaire circulated on 31 October: Argentina; Australia; Canada; Chile; Colombia; Ecuador; the European Union; Fiji; Honduras; Hong Kong, China; Iceland; Israel; Japan; Liechtenstein; Macao, China; Malaysia; Mauritius; New Zealand; Norway; Panama; Peru; Philippines; the Russian Federation; Seychelles; Singapore; Switzerland; Chinese Taipei; Thailand; Trinidad and Tobago; Turkey; Ukraine; the United States and Uruguay.

13. This document, read in conjunction with its addenda, is organized in four parts6 corresponding to the four areas covered by the questionnaire:

- a. Part A: Export subsidies (cf. also addendum G/AG/W/125/Rev.6/Add.1);
- Part B: Export credits, export credit guarantees or insurance programmes (cf. also addendum G/AG/W/125/Rev.6/Add.2);
- c. Part C: International food aid (cf. also addendum G/AG/W/125/Rev.6/Add.3); and
- d. Part D: Agricultural exporting state trading enterprises (cf. also addendum G/AG/W/125/Rev.6/Add.4).

14. Parts A to D of this document describe how data transmitted by Members was collected and compiled in the relevant addenda. The document also contains a number of related summary tables and charts. Part A also reflects updated information on Members' export subsidies commitments.

<sup>&</sup>lt;sup>6</sup> Part E, that was included in previous documents, has been removed since it corresponded to an information request not included in the questionnaire resulting from the Nairobi Decision.

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#### PART A – EXPORT SUBSIDIES

15. This part relates to the information on the use of export subsidies by Members with export subsidy reduction commitments, which is contained in document G/AG/W/125/Rev.6/Add.1.

16. Document G/AG/W/125/Rev.6/Add.1 updates document G/AG/W/125/Rev.5/Add.1. It incorporates information from Table ES:1 notifications, as well as replies by Members to the first section of the questionnaire on operational changes in Export Subsidies up to 5 May 2017. In the absence of a reply to the questionnaire or new notification by a Member, the information contained in document G/AG/W/125/Rev.5/Add.1 has been left unchanged.

17. Members' information on export subsidy reduction commitments, both in terms of budgetary outlay and quantity commitments, at the time of adoption of the Nairobi Ministerial Decision on export competition was adopted can be found in the Section I of Part A of documents TN/AG/S/27/Rev.1 and TN/AG/S/27/Rev.1/Add.1. Information on new developments in relation to Members' export subsidies commitments pursuant to the Nairobi Ministerial decision on export competition can be found in paragraph 27 below.

18. As was the case in document G/AG/W/125/Rev.5/Add.1 and in previous similar documents, document G/AG/W/125/Rev.6/Add.1 does not include the data corresponding to export subsidies granted by developing country Members notified under Article 9.4 of the Agreement on Agriculture (Supporting Table ES:2)<sup>7</sup> or the replies to the questionnaire in which Members without export subsidy reduction commitments confirmed the absence of such export subsidies.

19. Export subsidy budgetary outlays and quantities, as notified by Members<sup>8</sup>, are shown in two different tables. The symbol "n.r." indicates that the products concerned were not subject to notification requirements in the year in question (either because the country concerned was not a Member or because that type of commitment – budgetary outlay or quantity – did not apply). A blank indicates that no notification has been received for the year in question.

20. The following column headings are used:

- **REF** The last digit or the two last digits of the reference number (Export Subsidy ID-XSID) used in the Consolidated Tariff Schedules (CTS) File to identify each export subsidy reduction commitment;
- **PRODUCT** The product or group of products as specified in the Member's schedules (or abbreviated)<sup>9</sup>;
- **UNIT** The currency/quantity unit used for reduction commitments and a percentage symbol below (in italic); and
- **1995...2016** For each year:
  - the notified budgetary outlay or quantity; and
  - the resulting share of the Member's corresponding annual commitment for that year expressed in percentage (in italic).

21. The Members' annual commitment levels used to calculate the shares are those listed in Section I of Part A of documents TN/AG/S/27/Rev.1 and TN/AG/S/27/Rev.1/Add.1.

22. For each Member, the type of year (i.e. calendar, financial, fiscal or marketing year) used is indicated in the title complemented in some cases by a note attached to the relevant table.

23. Australia, Canada, Colombia, Israel, Switzerland and Turkey also provided additional information in their replies to the first section of the questionnaire, which was added before the relevant tables.

<sup>&</sup>lt;sup>7</sup> Those Members are Barbados; India; Korea, Republic of; Mauritius; Mexico; Morocco; Pakistan; Sri Lanka; Thailand; and Tunisia.

<sup>&</sup>lt;sup>8</sup> And in the case of Canada, as included in Canada's reply to the questionnaire for 2015.

<sup>&</sup>lt;sup>9</sup> In original language only.

#### SUMMARY INFORMATION ON MEMBERS' EXPORT SUBSIDIES COMMITMENTS

24. Out of the 164 WTO Members, 25 initially had export subsidy reduction commitments in Section II of Part IV of their schedules.<sup>10, 11</sup> These Members are listed in Table 2 below, along with the number of product specific commitments. The latter are classified in various product groupings in order to facilitate the presentation. The product groupings used are set out in Table 1.<sup>12</sup> They reflect the categories of products (or groups of products) used for the establishment of export subsidy reduction commitments during the Uruguay Round as in document MTN.GNG/MA/W/24 and in relation to total exports as in document G/AG/2, subject to the following presentational adjustments (shown in bold in Table 1):

- i. reflecting the nature of many schedules, the fruits (category 19) and vegetables (category 20) groups have been combined into one (with the code 20);
- ii. subsidies for agricultural products contingent on their incorporation in exported products ("incorporated products") have been given the code 23;
- iii. "other" agricultural products, i.e. those that do not fit into any of the groupings used during the Uruguay Round, have been given the code 24; and
- iv. "all agricultural products" (combined) have been given the code 25.

25. The information in Table 2 on the number of product-specific commitments by Member in each product grouping is taken from the schedules of Members. For the purposes of Table 2, budgetary outlay commitments have been used. Members also have commitments on a quantity basis although, in total, there are fewer of these than budgetary outlay commitments, reflecting aggregate export subsidy reduction commitments (e.g. "incorporated products" and "all agricultural products") for which there are no quantity-based commitments.

26. As result of this calculation, there are 428 export subsidy reduction commitments. Two commitments apply to "all agricultural products" and five to "incorporated products". The remaining 421 are product-specific commitments with both budgetary outlay and quantity commitments.<sup>13</sup>

<sup>&</sup>lt;sup>10</sup> The European Union is counted as one Member with commitments based on the certified Schedule CLXXIII – European Union 25, effective as of 1 December 2016 (document WT/LET/1220). The European Union indicated through a communication (G/SECRET/26) its intention to withdraw the tariff concessions in Schedule CXXXIX of Bulgaria and LXIX of Romania. This withdrawal became effective on 1 January 2007. Since Marketing Year 2006/2007, the European Union had notified its calculation of "EC-25 commitment levels following Article XXIV.6 negotiations for the EU enlargement of 2004" (document G/AG/N/EEC/57/Rev.1).

<sup>&</sup>lt;sup>11</sup> Costa Rica has commitments only in Section III of Part IV of its schedule (commitments limiting the scope of export subsidies). However as this section of schedules is not covered by the notification requirements (document G/AG/2), it is not taken into consideration here.

 <sup>&</sup>lt;sup>12</sup> These groupings were also used in documents G/AG/NG/S/5, G/AG/NG/S/5/Rev.1, TN/AG/S/8, TN/AG/S/8/Rev.1, TN/AG/S/27 and TN/AG/S/27/Rev.1.
 <sup>13</sup> In the case of Poland's "animal husbandry products" commitment, there is no quantity commitment in

<sup>&</sup>lt;sup>13</sup> In the case of Poland's "animal husbandry products" commitment, there is no quantity commitment in the schedule.

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Code	Products coverage					
1	Wheat and wheat flour					
2	Coarse grains					
3	Rice					
4	Oilseeds					
5	Vegetable oils					
6	Oilcakes					
7	Sugar					
8	Butter and butter oil					
9	Skim milk powder					
10	Cheese					
11	Other milk products					
12	Bovine meat					
13	Pigmeat					
14	Poultry meat					
15	Sheepmeat					
16	Live animals					
17	Eggs					
18	Wine					
20	Fruits <b>and</b> vegetables					
(includes 19)						
21	Tobacco					
22	Cotton					
23	Incorporated products					
24	Other agricultural products					
25	All agricultural products					

# Table 1 – Product groupings

Member	Product groupings (see Table 1 for definitions)																								
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	20	21	22	23	24	25	ALL
Australia								1	1	1	1								1						5
Brazil		1			1	1	1				1	1		1				1	2	1	1		4		16
Bulgaria	1			1						2		1	1	3	1	2	1	1	28	1		1			44
Canada	1	1		1	1	1		1	1	1	1								1			1			11
Colombia			1				1					1							3	1	1		10		18
Cyprus										1	1	1	1	1	1			1	2						9
Czech Republic	1	1			1		1		1		1	1	1	1	1			1	1				4		16
European Union	1	1	1	1	1		1	1	1	1	1	1	1	1			1	1	2	1		1	1		20
Hungary	1	1		1	1		1			1		1	1	1	1	3		1	2						16
Iceland											1				1										2
Indonesia			1																						1
Israel																			3		1		2		6
Mexico	1	2					1												1						5
New Zealand																								1	1
Norway								1		1	1	1	1	1	1		1		1			1	1		11
Panama																								1	1
Poland				1	1		1		1		1	1		1		1			4				5		17
Romania		1		1	1		1	1		1		1		1		1	1	1	2						13
Slovak Republic	1	1			1		1		1		1	1	1	1	1			1	1				5		17
South Africa	1	4		1	2		2	1	1	1	1	2	1	1	1		1	1	5	2	1		33		62
Switzerland-Liechtenstein											1					1			2			1			5
Turkey	2	3			4			1		1	3	3		1	1		1		14	1			9		44
United States of America	1	1	1		1			1	1	1	1	1	1	1		1	1								13
Uruguay			1			1		1																	3
Venezuela, Bolivarian		1	4								1								46	4			16		72
Republic of		1									1									-			-		
All Members	11	18	9	7	15	3	11	9	8	12	17	17	9	15	9	9	7	9	121	11	4	5	90	2	428

# Table 2 – Number of product-specific export subsidy reduction commitments by Member

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#### **NEW DEVELOPMENTS IN RELATION TO MEMBERS' EXPORT SUBSIDIES COMMITMENTS**

27. Australia submitted on 17 February 2017 a draft containing modifications to Part IV of Schedule I Australia to eliminate its export subsidy entitlements pursuant to the Nairobi Ministerial Decision on Export Competition.<sup>14</sup>

#### SUMMARY INFORMATION ON THE EVOLUTION IN THE USE OF EXPORT SUBSIDIES

28. The following table summarizes the information available in relation to the export subsidies granted by the Members who have notified such export subsidies in their latest Table ES:1 notification<sup>15</sup>, since 2004.

Member	Latest notification year available	Sum notified export subsidy budgetary outlays as % of sum export subsidy budgetary outlay commitment levels	Products covered
Canada	2015	19%	Skim milk powder, cheese, other milk, incorporated products
European Union	2015	0%	Sugar <sup>16</sup>
Israel	2015	3%	Cut flowers, fruits other than citrus, fresh vegetables
Norway	2015	27%	Swine meat, butter cheese, processed agricultural products
Switzerland	2015	22%	Cattle for breeding and horses, processed products

#### Sum of the export subsidy budgetary outlays notified and scheduled per Member

29. The charts 1-13 show by Member<sup>17</sup> and by year the sum of the export subsidy outlays notified and the sum of the export subsidy budgetary outlay commitment levels scheduled for the corresponding year of notification.

30. The charts also show for each year the sum of the notified export subsidy budgetary outlays expressed as a percentage of the sum of the export subsidy budgetary outlay commitment levels.

31. These charts, which aim at giving some indications on the trends in the use of export subsidies by Members, should be considered as illustrative only, in particular since:

- i. Members' commitments are expressed on a product-specific basis;
- ii. the trend in terms of notified export subsidies quantities are not recorded<sup>18</sup>; and
- iii. the type of year can differ from one product to the other.

<sup>&</sup>lt;sup>14</sup> Circulated as document G/MA/TAR/RS/454 dated 22 February 2017.

<sup>&</sup>lt;sup>15</sup> And in the case of Canada, as included in Canada's reply to the questionnaire.

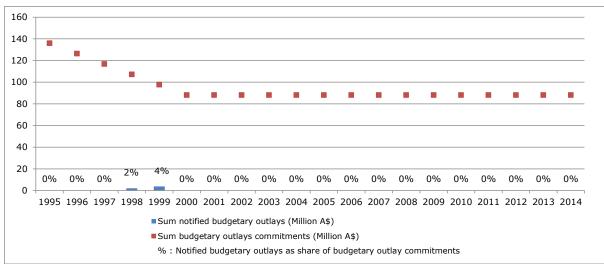
<sup>&</sup>lt;sup>16</sup> Only notified quantities, representing 98.2% of the corresponding export subsidies quantity commitment level, as expressed in WT/LET/1220 (cf. footnote 10 above).

<sup>&</sup>lt;sup>17</sup> Except for Brazil, Indonesia and Uruguay who have not notified any export subsidy during the whole period covered by their notifications, for New Zealand and Panama who have now a zero export subsidy commitment and for the new European Union member States.

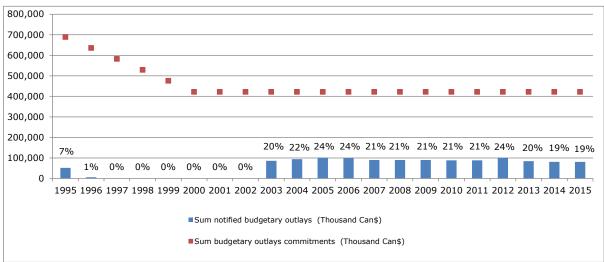
<sup>&</sup>lt;sup>18</sup> Firstly, Members may use different units to measure the quantities for different products (and quantities are absent for some product categories, like "processed products"). Secondly, adding quantities corresponding to very different categories of products might prove problematic. Exhaustive information on the export subsidies quantities notified per Member can be found in the tables contained in document G/AG/W/125/Rev.5/Add.1.

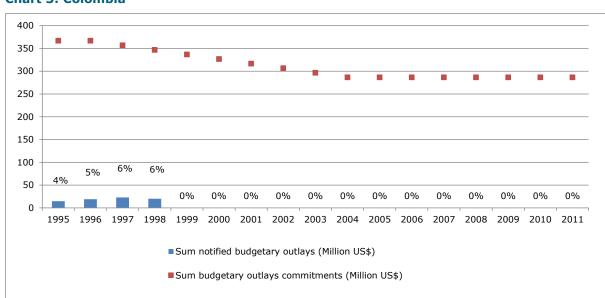






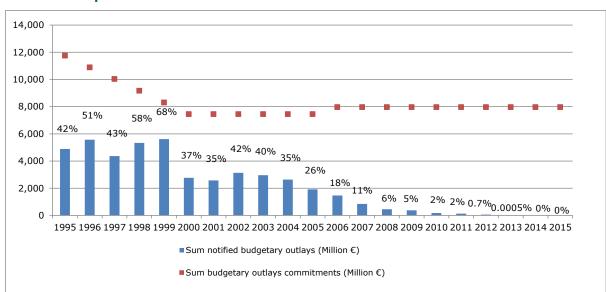
# **Chart 2: Canada**



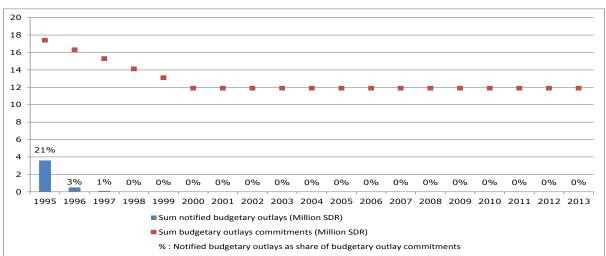


#### **Chart 3: Colombia**

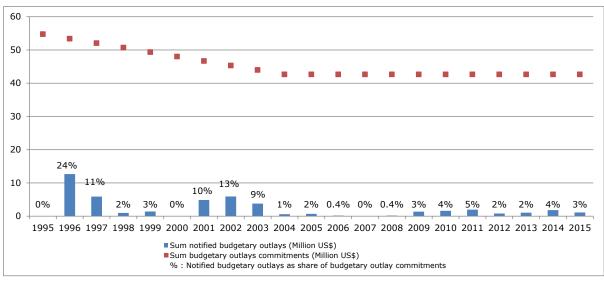




#### **Chart 5: Iceland**

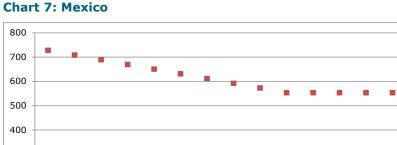


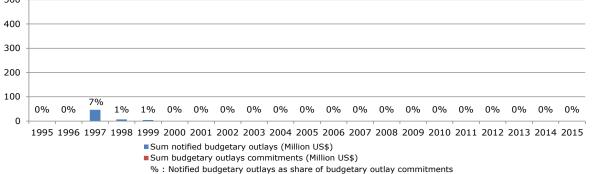




#### **Chart 4: European Union**

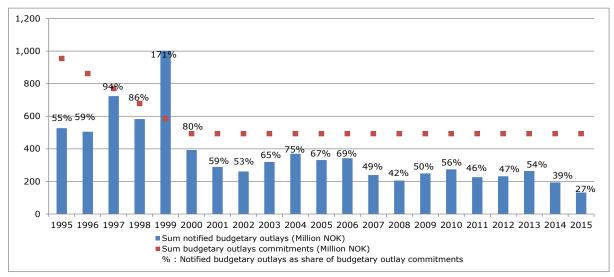


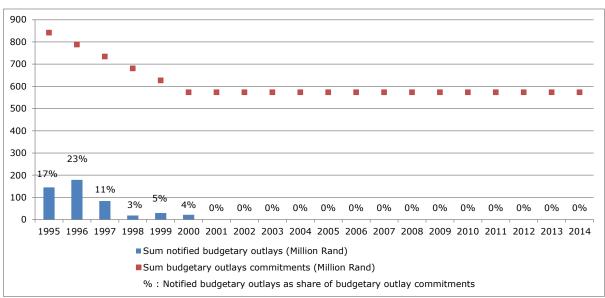




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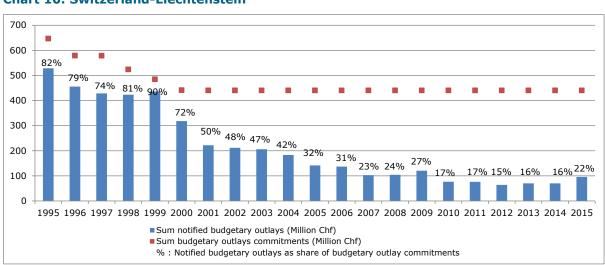
#### **Chart 8: Norway**



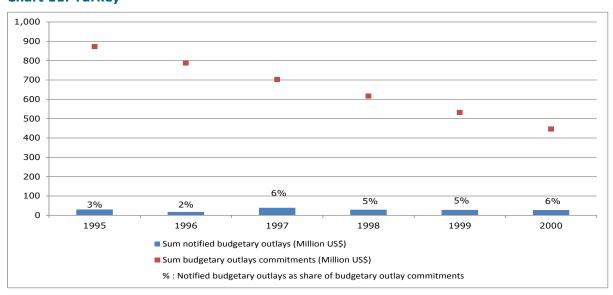


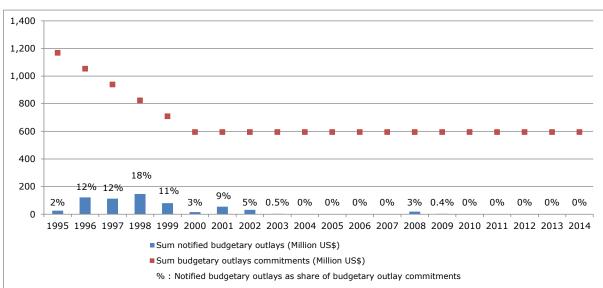
#### **Chart 9: South Africa**





# **Chart 11: Turkey**



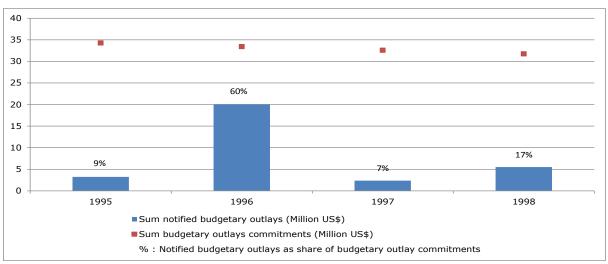


#### **Chart 12: United States of America**

**Chart 10: Switzerland-Liechtenstein** 



Chart 13: Venezuela, Bolivarian Republic of



# Sum of the export subsidy budgetary outlays notified and scheduled per product grouping

32. The charts 14-36 show, for the period 1995-2015, the sum of the export subsidy budgetary outlays notified and scheduled per product grouping (as set out in Table 1 above).<sup>19</sup>

33. The figures are calculated by adding the Members' export subsidy budgetary outlays notified (respectively, the export subsidy budgetary outlay commitment levels scheduled by all the Members with reduction commitments) for the products (or group of products) in their schedules corresponding to each product grouping, following the distribution summarized in Table 2. The figures are expressed in US Dollar using the relevant yearly exchange rate.<sup>20</sup>

34. The charts also show, for each product grouping, the sum of the notified export subsidy budgetary outlays expressed as a percentage of the sum of the export subsidy budgetary outlay commitment levels of the Members who have submitted notifications. This percentage gives some indication of the effective use of export subsidies by these Members for the relevant product grouping.

35. Finally, the charts also show, for each product grouping, the sum of the export subsidy budgetary outlay commitments levels of the Members who have submitted notifications as a percentage of the sum of the export subsidy budgetary outlay commitment levels of all the Members with reduction commitments corresponding to this product grouping. This percentage gives an indication of the completeness of the data available for the relevant year.

36. These charts, that aim at giving some indications of the trends in the use of export subsidies by broad product grouping, should be considered as illustrative only, in particular since:

- i. some changes can be partly due to exchange rate fluctuation;
- ii. this information is only partial since notified export subsidies quantities are not recorded<sup>21</sup>;
- iii. the products or groups of products regrouped under one specific commitment are not always fully covered within the scope of one product grouping; and

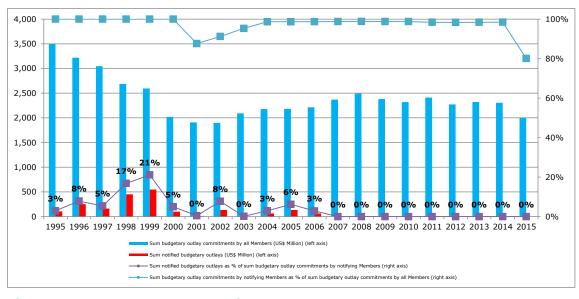
<sup>&</sup>lt;sup>19</sup> Except for category 25 "All agricultural products", for which the two Members who had an export subsidy commitment (New Zealand and Panama) falling under this category now have a zero export subsidy commitment.

<sup>&</sup>lt;sup>20</sup> Using exchange rates from the IMF's "International Financial Statistics".

<sup>&</sup>lt;sup>21</sup> Budgetary outlays are used rather than quantities consistent with the approach followed to constitute Table 2. It also permits having comparable figures across the board for all product groupings. Using quantities for some product groupings might prove problematic due to the different units used by Members to measure quantities in the same product groupings but also due to the large coverage of certain product groupings (like fruits and vegetables, processed products or other agricultural products).

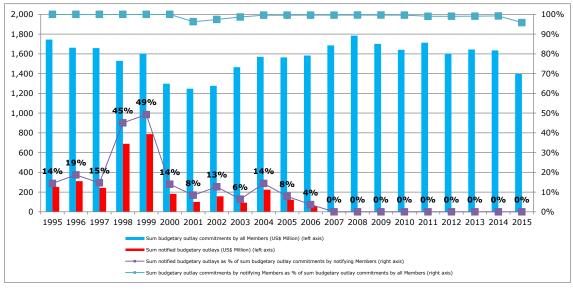
iv. the type of year can differ from one product to the other and from one Member to the other.

Finally, some changes in the data on the sum of the export subsidy budgetary outlay commitment levels of all the Members with reduction commitments can also be explained by the successive European Union enlargements during the period under consideration.<sup>22</sup>



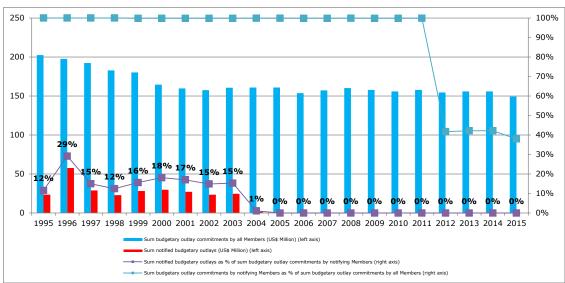
#### Chart 14: Category 1 – Wheat and wheat flour



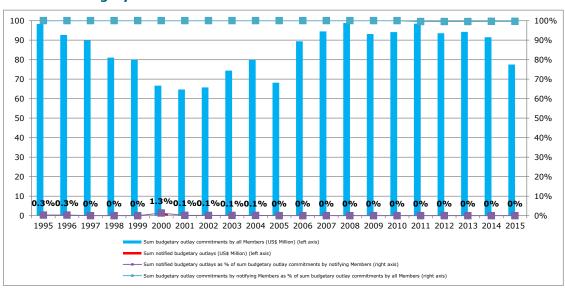


<sup>&</sup>lt;sup>22</sup> New EU member States commitments are taken into account until their accession to the European Union and the figures notified by the European Union as its calculation of "EC-25 commitment levels following Article XXIV.6 negotiations for the EU enlargement of 2004" are used for 2006 and the following years (cf. footnote 10 above).











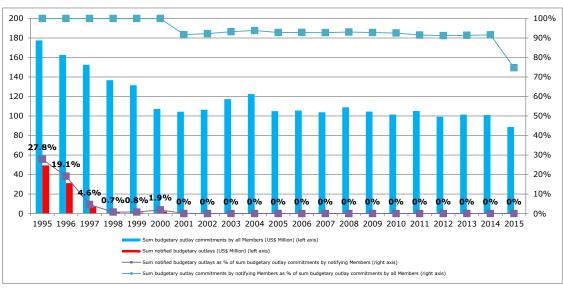
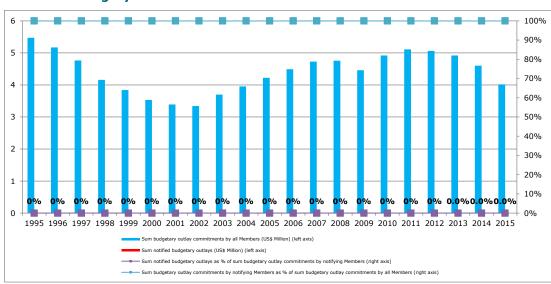
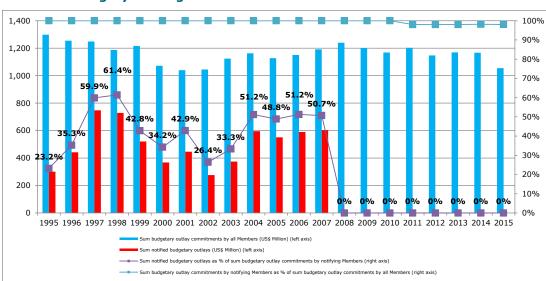


Chart 18: Category 5 - Vegetable oils

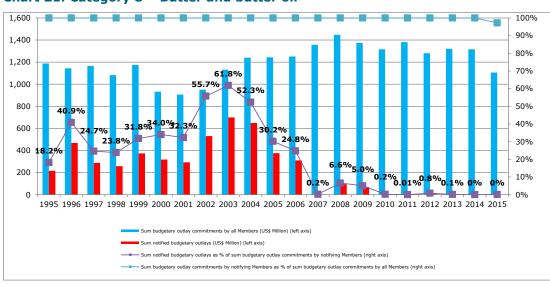
# Chart 16: Category 3 – Rice







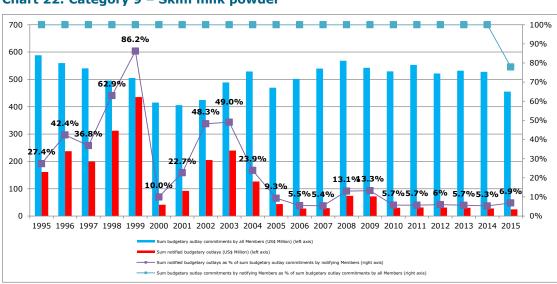
#### Chart 20: Category 7 – Sugar

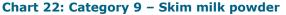


#### Chart 21: Category 8 - Butter and butter oil

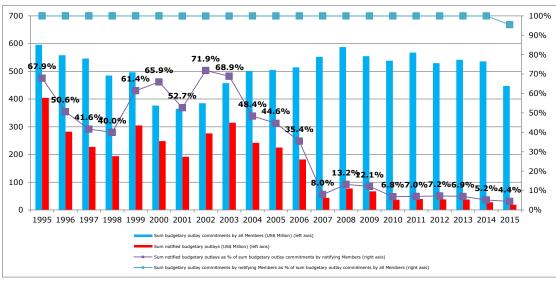
Chart 19: Category 6 – Oilcakes

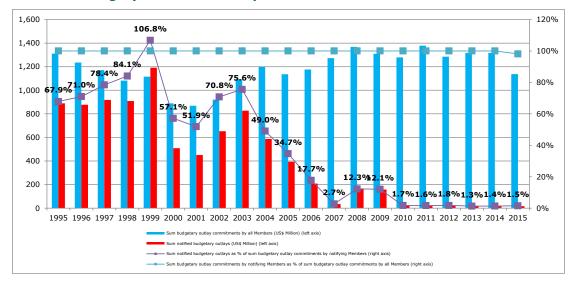






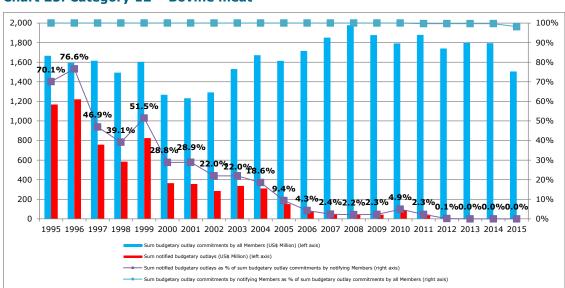




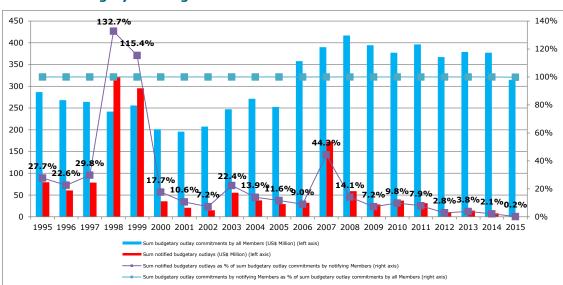


#### Chart 24: Category 11 – Other milk products

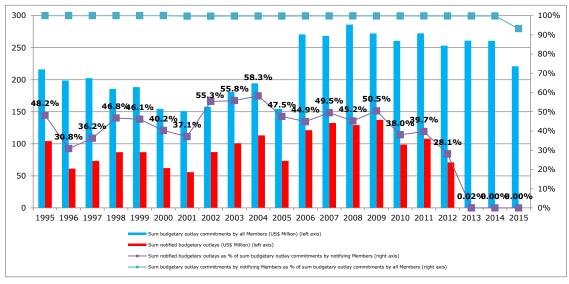






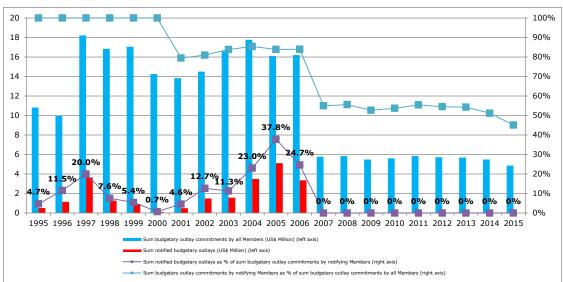






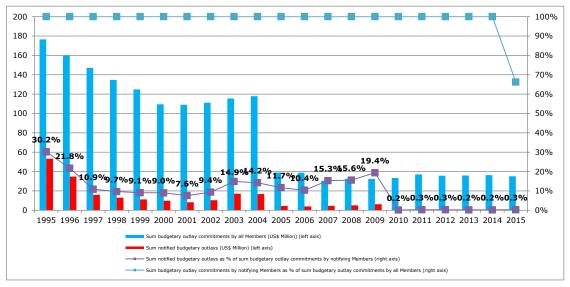
### Chart 27: Category 14 – Poultry meat

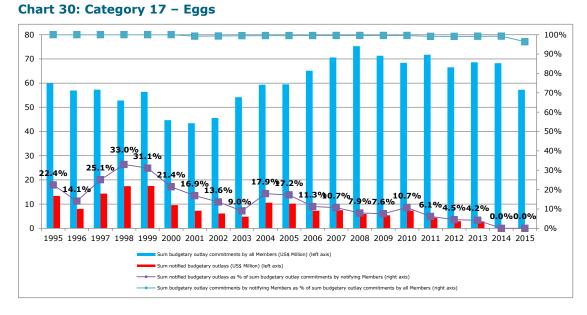




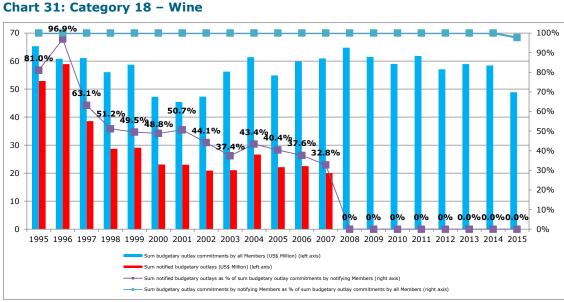
#### Chart 28: Category 15 – Sheepmeat



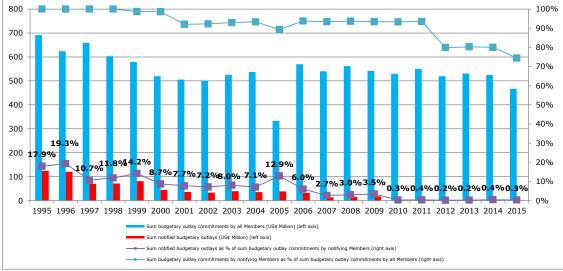




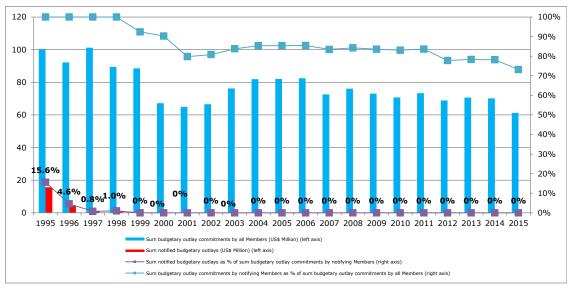




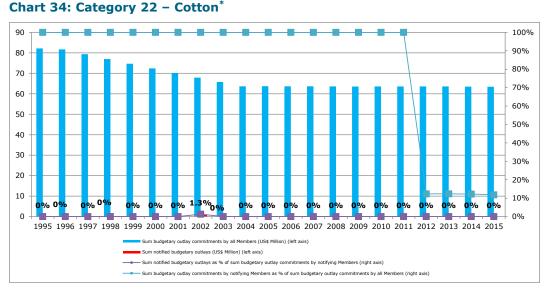




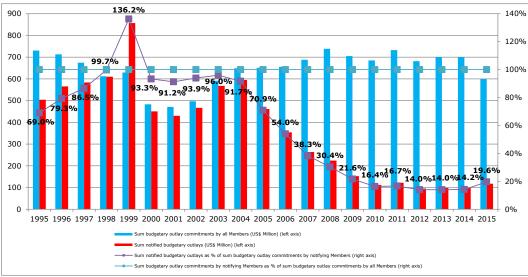








\* This chart does not include the export subsidies for upland cotton notified by the United States of America in 2003, 2004, 2005 and 2006.



# Chart 35: Category 23 – Incorporated products

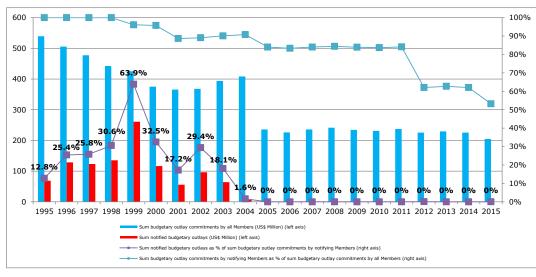


Chart 36: Category 24 – Other agricultural products

#### PART B - EXPORT CREDITS, EXPORT CREDIT GUARANTEES OR INSURANCE PROGRAMMES

37. This part relates to the information on the use of export credits, export credit guarantees or insurance programmes by Members for the export of agricultural products which is contained in document G/AG/W/125/Rev.6/Add.2.

38. Document G/AG/W/125/Rev.6/Add.2 updates document G/AG/W/125/Rev.5/Add.2. It incorporates replies by Members to the second section of the questionnaire on **Export Credit**, **Export Credit Guarantees or Insurance Programmes (Export financing)** up to 5 May 2017. In the absence of a reply to the questionnaire by a Member, the information contained in document G/AG/W/125/Rev.5/Add.2 has been left unchanged.

Members who replied to the previous questionnaires <sup>23</sup>	Members who replied to the questionnaire circulated on 31 October 2016
Australia; Brazil; Canada; Colombia; the	Australia; Canada; the European Union; Iceland;
European Union; Jamaica; Japan; Malaysia;	Japan; Malaysia; New Zealand;
New Zealand; Peru; the Russian Federation;	the Russian Federation; Switzerland; Thailand;
Switzerland; Thailand; Turkey; the United States of	Trinidad and Tobago; Turkey;
America; Viet Nam	the United States of America

39. In addition, the following Members indicated in their replies to the questionnaires that they do not provide export financing programmes for agricultural products.

Members with nil reply to the previous questionnaires <sup>21</sup>	Members with nil reply to the questionnaire circulated on 31 October 2016
Albania; Argentina; Chile; China; Costa Rica; Côte d'Ivoire; Dominican Republic; Ecuador; Georgia; Guatemala; Honduras; Hong Kong, China; Israel; Jordan; Liechtenstein; Macao, China; Madagascar; Mauritius; Moldova, Republic of; Montenegro; Norway; Pakistan; Panama; Paraguay; Saudi Arabia, Kingdom of; Seychelles; Singapore; South Africa; Chinese Taipei; Thailand; Ukraine; Uruguay	Chile; Colombia; Ecuador; Fiji; Honduras; Hong Kong, China; Israel; Liechtenstein; Macao, China; Mauritius; Norway; Panama; Peru; Philippines; Seychelles; Singapore; Chinese Taipei; Ukraine; Uruguay

<sup>&</sup>lt;sup>23</sup> Circulated on 10 February, 26 November 2014 and 20 January 2016.

#### PART C - INTERNATIONAL FOOD AID

40. This part relates to the information on international food aid provided by Members which is contained in document G/AG/W/125/Rev.6/Add.3.

41. Document G/AG/W/125/Rev.6/Add.3 updates document G/AG/W/125/Rev.5/Add.3. It incorporates information contained in Table ES:1 and ES:3 notifications as well as replies by Members to the third section of the questionnaire on **Food Aid** up to 5 May 2017. In the absence of a reply to the questionnaire or new notification by a Member, the information contained in document G/AG/W/125/Rev.5/Add.3 has been left unchanged.

42. The information relative to food aid contained in Table NF:1 notifications, which is specific to certain group of destination countries, is not incorporated in document G/AG/W/125/Rev.6/Add.3.

- 43. The following column headings are used to report data contained in Table ES:1 notifications:
- **REF** The last digit or the two last digits of the reference number (Export Subsidy ID XSID) used in the Consolidated Tariff Schedules database (CTS) to identify each export subsidy reduction commitment;

**PRODUCT** The product or group of products as specified in the Members' schedules;

**UNIT** The quantity unit used in the notification; and

**1995...2016** For each year, the notified quantity.

44. The following column headings are used to report data contained in Table ES:3 notifications:  $^{24}$ 

**PRODUCT** The product or group of products as indicated in the Member's notification;

**UNIT** The quantity unit used in the notification; and

**1995...2016** For each year, the notified quantity.

45. The additional information provided in the replies by Members to the third section of the questionnaire on **Food Aid** was inserted before the tables reflecting ES:1 and/or ES:3 notifications.

Members who replied to the previous questionnaires <sup>25</sup>	Members who replied to the questionnaire circulated on 31 October 2016
Australia; Brazil; Canada; China; Cuba;	Australia; Canada; the European Union; Iceland;
the European Union; Indonesia; Japan; New Zealand;	Japan; New Zealand; Norway;
Norway; the Russian Federation; South Africa;	the Russian Federation; Switzerland;
Switzerland; Chinese Taipei; Thailand; Turkey;	Chinese Taipei; Turkey;
the United States of America; Viet Nam	the United States of America

46. In addition, the following Members indicated in their replies to the questionnaires that they do not provide international food aid.

Members with nil reply to the previous questionnaires <sup>24</sup>	Members with nil reply to the questionnaire circulated on 31 October 2016
Albania; Argentina; Chile; Colombia; Costa Rica; Côte d'Ivoire; Dominican Republic; Ecuador; Georgia; Guatemala; Honduras; Hong Kong, China; Israel; Jamaica; Jordan; Liechtenstein; Macao, China; Madagascar; Malaysia; Montenegro; Mauritius; Moldova, Republic of; Panama; Paraguay; Peru;	Argentina; Chile; Colombia; Ecuador; Fiji; Honduras; Hong Kong, China; Israel; Liechtenstein; Macao, China; Malaysia; Mauritius; Panama; Peru; Philippines; Seychelles; Singapore; Thailand; Trinidad and Tobago; Ukraine; Uruguay
Seychelles; Singapore; Thailand; Ukraine; Uruguay	

<sup>&</sup>lt;sup>24</sup> In the case of Japan, an additional column heading entitled "destination" was added to reflect the notification practice followed by this Member.

<sup>&</sup>lt;sup>25</sup> Circulated on 10 February and 26 November 2014 and 20 January 2016.

#### **PART D – AGRICULTURAL EXPORTING STATE TRADING ENTERPRISES**<sup>26</sup>

47. This part relates to the information on agricultural exporting State Trading Enterprises (STEs) which is contained in document G/AG/W/125/Rev.6/Add.4.

48. Document G/AG/W/125/Rev.6/Add.4 updates document G/AG/W/125/Rev.5/Add.4. It incorporates the replies by Members to the fourth section of the questionnaire on **Agriculture Exporting State Trading Enterprises** up to 5 May 2017.

49. In addition, consistent with the practice followed since 2013, the Secretariat looked whether STEs covering totally or partially agricultural products were contained in the notifications submitted by Members between 1 July 2016 (cut-off date for the document G/AG/W/125/Rev.5/Add.4) and 5 May 2017, pursuant to Article XVII:4(a) of the GATT 1994 and Paragraph 1 of the Understanding on the interpretation of Article XVII under the auspices of the Working Party on State Trading Enterprises.<sup>27</sup>

50. Based on the information contained in these notifications, the Secretariat verified with the Members concerned whether some of these STEs ought to be considered as agricultural exporting STEs in the context of this compilation of information by the Secretariat and whether some of the information contained in these notifications ought to be incorporated in document G/AG/W/125/Rev.6/Add.4.

51. For the purpose of this verification exercise, agricultural exporting STEs were understood as "governmental and non-governmental enterprises, including marketing boards, which have been granted exclusive or special rights or privileges, including statutory or constitutional powers, in the exercise of which they influence through their purchases or sales the level or direction of [imports or] exports", following the working definition of paragraph 1 of the Understanding on the interpretation of Article XVII.

52. As a result of this process, document G/AG/W/125/Rev.6/Add.4 includes the information on agricultural exporting STEs contained in document G/AG/W/125/Rev.5/Add.4, as updated by the additional information received from Australia, Canada, Ecuador, Indonesia, Israel, New Zealand, Tunisia and Ukraine. In the absence of a reply to the questionnaire or modification following a new notification by a Member, the information contained in document G/AG/W/125/Rev.5/Add.4 has been left unchanged.

<sup>&</sup>lt;sup>26</sup> This compilation of information should in no way be considered to substitute or interfere with the rights and obligations under the normal notification process in the framework of the Working Group on State Trading Enterprises.

<sup>&</sup>lt;sup>27</sup> According to available information, the updated list of Members having notified such STEs covering totally or partially agricultural products in their latest notification to the Working Party on State Trading Enterprises is: Australia (G/STR/N/16/AUS); Barbados (G/STR/N/13/BRB, G/STR/N/14/BRB, G/STR/N/15/BRB); Brazil (G/STR/N/3/BRA); Cabo Verde (G/STR/N/13/CPV); Canada (G/STR/N/15/CAN); Chile (G/STR/N/16/CHL); China (G/STR/N/10/CHN, G/STR/N/11/CHN, G/STR/N/12/CHN, G/STR/N/13/CHN, G/STR/N/14/CHN, G/STR/N/15/CHN); Colombia (G/STR/N/15/COL); Costa Rica (G/STR/N/16/CRI); Dominica G/STR/N/6/DMA); (G/STR/N/4/DMA, G/STR/N/5/DMA, Ecuador (G/STR/N15/ECU); European Union (G/STR/N/16/EU G/STR/N/16/EU/Add.1); Fiji (G/STR/N/4/FJI); and Grenada (G/STR/N/13/GRD); Iceland (G/STR/N/5/ISL); India (G/STR/N/14/IND); Indonesia (G/STR/N/16/IDN); Israel (G/STR/N/1/ISR/Rev.1); Japan (G/STR/N/16/JPN); Jordan (G/STR/N/9/JOR); Korea, Republic of (G/STR/N/16/KOR); Malaysia (G/STR/N/16/MYS); Mali (G/STR/N/16/MLI); Mauritius (G/STR/N/16/MUS); New Zealand (G/STR/N/16/NZL); Oman (notification of an entity not considered by Oman as being a state trading enterprise according to article XVII of GATTT 1994 and the Understanding on interpretation of Article XVII - G/STR/N/10/OMN, G/STR/N/11/OMN, G/STR/N/12/OMN, G/STR/N/13/OMN, G/STR/N/14/OMN, G/STR/N/15/OMN); Philippines (G/STR/N/4/PHL, G/STR/N/5/PHL, G/STR/N/6/PHL, G/STR/N/7/PHL); Saint Vincent and the Grenadines (G/STR/N/4/VCT, G/STR/N/5/VCT, G/STR/N/6/VCT); Switzerland (G/STR/N/16/CHE); Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu (G/STR/N/16/TPKM); Thailand (G/STR/N/13/THA, G/STR/N/14/THA); Trinidad and Tobago (G/STR/N/12/TTO, G/STR/N/13/TTO); Tunisia (G/STR/N/15/TUN and G/STR/N/15/TUN/Suppl.1, G/STR/N/16/TUN and G/STR/N/16/TUN/Suppl.1); Ukraine (G/STR/N/16/UKR); the United States of America (G/STR/N/16/USA/Rev.1) and Viet Nam (G/STR/N/15/VNM, G/STR/16/VNM).

53. The following Members indicated in their replies to the questionnaire the absence of any such agricultural exporting STEs:

Members with nil reply to the previous questionnaires <sup>28</sup>	Members with nil reply to the questionnaire circulated on 31 October 2016
Albania; Argentina; Brazil; Chile; Côte d'Ivoire; Dominican Republic; the European Union; Georgia; Guatemala; Honduras; Hong Kong, China; Jamaica; Japan; Jordan; Liechtenstein; Macao, China; Madagascar; Malaysia; Mauritius; Montenegro; Norway; Oman; Panama; Pakistan; Paraguay; Peru; the Russian Federation; Saudi Arabia, Kingdom of; Seychelles; Singapore; South Africa; Switzerland; Chinese Taipei; Thailand; Turkey; the United States of America; Uruguay; Viet Nam	Argentina; Chile; The European Union; Fiji; Honduras; Hong Kong, China; Iceland; Japan; Liechtenstein; Macao, China; Malaysia; Norway; Panama; Peru; Philippines; the Russian Federation; Seychelles; Singapore; Switzerland; Chinese Taipei; Thailand; Trinidad and Tobago <sup>29</sup> ; Turkey; the United States of America; Uruguay

54. As a result, 16 out of the 164 WTO Members have notified or reported in their reply to the questionnaire a total of 59 agricultural exporting STEs according to the methodology described above. These Members are listed in Table 3 below.

Member	Number of agricultural exporting STEs
Australia	1
Canada	1
China	25
Colombia	4
Costa Rica	1
Dominica	1
Ecuador	1
Fiji	1
Grenada	1
India	14
Indonesia	1
Israel	3
Moldova, Republic of	1
New Zealand	1
Tunisia	2
Ukraine	1

#### Table 3 – Number of agricultural exporting STEs per Member

55. In Table 4, the identified agricultural exporting STEs are classified for illustration purposes by product grouping based on the same groupings as in Table 1 of Part A on Export Subsidies, subject to an additional presentational adjustment consisting in merging of wheat and wheat flour, coarse grains and rice groups (shown in bold in Table 4).

56. In case an agricultural exporting STE covers a group of products belonging to more than one of the other product groupings, it is classified under the "all agricultural products" product grouping.

#### Table 4 – Distribution of agricultural exporting STEs by product grouping

Product groupings	Number of agricultural exporting STEs
Wheat and wheat flour, coarse grains and rice	5
Oilseeds	1
Vegetable oils	1
Oilcakes	

<sup>&</sup>lt;sup>28</sup> Circulated on 10 February, 26 November 2014 and 20 January 2016.

<sup>&</sup>lt;sup>29</sup> As indicated in Trinidad and Tobago's reply: "*Previously, the Cocoa and Coffee Industry Board (CCIB)* was the only operating Agricultural Exporting State Trading Enterprise. In October 2013, the Cabinet of Trinidad and Tobago repealed the CCIB Act and the Cocoa Development Company of Trinidad and Tobago (CDCTT) was incorporated as a Wholly Owned State Enterprise under the Companies Act, 1995 of Trinidad and Tobago. The CDCTT will operate more as a **facilitator** to cocoa producers in their production and marketing of cocoa, nationally and internationally."

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Product groupings	Number of agricultural exporting STEs
Sugar	3
Butter and butter oil	
Skim milk powder	
Cheese	
Other milk products	
Bovine meat	
Pigmeat	
Poultry meat	
Sheepmeat	
Live animals	
Eggs	
Wine	1
Fruits and vegetables	14
Tobacco	20
Cotton	4
Incorporated products	
Other agricultural products	7
All agricultural products	3