



Committee on Agriculture

**POINTS RAISED BY MEMBERS FOR THE ANNUAL EXAMINATION OF EXPORT
COMPETITION, 11-12 JUNE 2018¹**

The present document compiles questions received by the Secretariat by 28 May 2018 as specified in WTO/AIR/AG/27.

¹ 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.

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1 ARGENTINA

AG-IMS ID 87043: Question by United States of America

Export Credit - G/AG/W/125/Rev.8/Add.2

In responses to AG-IMS ID 84114 Argentina stated: "*BNA and BICE do not have programmes or lines of credit support for exports and/or risk hedges and/or credit agreements that have financial contributions from the Government or financial transfers (BICE) and Banco de la Nación Argentina, or any public body in any of the lines of credit in foreign currency offered for the financing of exports, both in the pre-shipment and post-shipment modes*". Argentina also stated that "*Export financing conditions correspond to the market rates*".

The United States notes the provisions in the Nairobi Decision apply to export financing support "provided by a government or any public body" as referred to in the Article 1.1 (a) (1) of the Agreement on Subsidies and Countervailing Measures. This definition appears to relate to both BNA and BICE.

According to both their websites, BNA² and BICE³ operate export financing programs for which agriculture is eligible. These programs appear to be within the scope of the Nairobi Decision on Export Competition definition in paragraph 13 (a) of direct financing support, comprising direct credits/financing, refinancing, and interest rate support.

Noting that the scope of the Ministerial Decision on Export Competition is not limited to just agricultural-specific programmes nor is there any reference to being exempt from the commitments because of "market rates", please confirm that Argentina considers BNA and BICE's export financing support activities not to be covered by the Nairobi Decision on Export Competition because the "export financing conditions correspond to the market rates" and if so, please explain the specific basis for this.

2 AUSTRALIA

AG-IMS ID 87003: Question by European Union

- a. Australia notifies three direct financing programmes (Export Contract Loan, Export Line of Credit, Small Business Export Loan). Are the annual average fees/premium rates per programme below those which the exporters would have to pay for the funds so employed (or would have to pay if they borrowed on international capital markets in order to obtain funds of the same maturity and other credit terms and denominated in the same currency as the export credit). If yes, could Australia agree that such programmes contain prohibited export subsidies as defined in item (k) of Annex I to the Agreement on Subsidies and Countervailing Measures?
- b. For Export Line of Credit programme the maximum repayment term includes "extensions allowed". What is the maximum length of these extensions?

3 BRAZIL

AG-IMS ID 87004: Question by European Union

Why has Brazil not updated its data on PROEX Direct Financing and PROEX Interest Rate Support programmes?

AG-IMS ID 87012: Question by Norway

Brazil was a driving force behind the rapid implementation of phasing out of export subsidies from December 2015. Members like Canada, Switzerland and Norway had to implement a considerable

² See URL:

<http://www.bna.com.ar/Empresas/Grandes/ComercioExterior/FinanciacionDeExportacionesArgentinas>

Also, under the heading "Exportación" please see "Cartas de Crédito de Exportación", See URL:

<http://www.bna.com.ar/Empresas/Grandes/ComercioExterior>

³ See URL: <https://www.bice.com.ar/en/productos/comercio-exterior/>. See URL:

<https://www.bice.com.ar/es/productos/expo-largo-plazo/>

change in policies in order to comply with the Ministerial Decision. These members have now all notified amended draft schedules for export subsidies.

On the other hand, after more than two years, Brazil has still not submitted a draft amended schedule for export subsidies.

Question: When will Brazil submit the amended draft schedule for export subsidies?

AG-IMS ID 87044: Question by United States of America

Brazil Export Credit - G/AG/W/125/Rev.8/Add.2

The United States notes that Brazil did not respond to the 2016 or the 2017 export competition questionnaires, but did respond in 2014 and 2015. Brazil also recently noted in response to U.S. questions that the PROEX Direct Financing programme supported USD 141.3 million in agricultural products in 2016.

Please provide responses to the ECQ for both the PROEX Direct Financing and the PROEX Interest Rate support programmes for agricultural products in 2017.

4 CANADA

AG-IMS ID 87005: Question by European Union

- a. The Nairobi Ministerial Decision on Export Competition, in footnote 4, requires that "quantity commitment levels shall be applied as a standstill until the end of 2020 at the actual average of quantity levels of the 2003-05 base period". A 2003-05 base period refers to three years, 2003, 2004 and 2005. Why has Canada based its export subsidy quantity levels for dairy products in 2016 on a four year average, contradicting the Nairobi Decision?
- b. The Nairobi Ministerial Decision on Export Competition, in footnote 4, requires that footnote 4 applies on products for which a Member concerned "has notified export subsidies for such products or categories of products in one of its three latest export subsidy notifications examined by the Committee on Agriculture before the date of adoption of this Decision". The three latest export subsidy notifications by Canada before Nairobi covered years 2011/12, 2012/13 and 2013/14 and no subsidised butter exports were reported by Canada for these years. Given that Canadian Corrigenda to its export subsidy notifications for the 2012/2013 and 2013/2014 were not examined by the CoA before Nairobi, why does Canada erroneously notify an export subsidy entitlement for butter in 2016?
- c. Does Canada agree that its milk class system, although considered by Canada a private mechanism, could only exist by virtue of a milk quota system imposed by the government of Canada⁴ and therefore exporters of dairy products or ingredients, that were billed under milk class 7 benefit from "payments on the export of an agricultural product that are financed by virtue of governmental action", as defined in Article 9:1(c) of the Agreement on Agriculture? If not, could Canada substantiate its position?

⁴ Mandated by the Canadian Dairy Commission Act of 1966 and administered by the Canadian Dairy Commission which is a Canadian government Crown Corporation created under the same Act.

AG-IMS ID 87045: Question by United States of AmericaCanada Export Credit - G/AG/W/125/Rev.8/Add.2

- a. The United States notes Canada stated in its export competition questionnaire (ECQ) that the total value of export of agricultural products covered by its export financing programs was CAN 4,100 million and CAN 5,092 million in 2015 and 2016, respectively.

According to the Export Development Canada's (EDC) website Aggregate Business Volume by Industry Sub-sector for the periods ending 31 December 2015, 2016 and 2017 (see table below), the total value of agricultural products covered by its export financing programs does not match the total value of export of agricultural products reported by Canada ECQ. The United States also notes under the Light Manufacturing Industry, a line describing transactions for food and beverage that was not reported in Canada's ECQ for the last three years.

| Overview of Industry Sub-sector | 2015 (\$ in millions) | 2016 (\$ in millions) | 2017 (\$ in millions) |
|--|----------------------------------|----------------------------------|----------------------------------|
| Agriculture | 4,702 | 5,600 | 4,995 |
| Food & Beverage | 1,041 | 974 | 1,401 |
| TOTAL | 5,743 | 6,574 | 6,396 |

Source: <http://www.edc.ca/EN/About-Us/Disclosure/Reporting-on-Transactions/Pages/industry-sub-sector-2017.aspx>

For the agricultural sector:

- i. Can Canada please explain the differences between the total export values of agricultural products reported in the ECQ and those reported on the EDC website?
 - ii. Can Canada please explain why the export value of agricultural products under the Sub-sector food and beverage was not reported in the ECQ?
 - iii. Can Canada please explain if there were missing agricultural products under EDC's Sub-sectors that were not included in the 2015 and 2016 ECQs? If so, please provide the figures for programme use (i.e. the monetary value of export) by product or product group (i.e. agricultural products as defined in the WTO Nairobi Decision) in 2015 and 2016.
- b. In in previous questionnaires Canada reported data for its Foreign Exchange Guarantee (FXG) and Loans programs, which Canada described as "other form of governmental export credit support" and "direct financing support", respectively. Neither of these named programs was described in the previous Canada's ECQ as Buyer Financing or provider of working capital. Also, the Loans programme was reported as having average repayment terms above 2.9 years and reported Maximum repayment terms as "various".
- i. Please explain why these programmes are not being reported and whether these activities are covered by the Nairobi Decision on Export Competition.
 - ii. Please explain if EDC continues to provide Loans with tenors higher than 18 months.
- c. According to the Export Development Canada (EDC) website, EDC offers as part of its Financing categories a Buyer Financing Program (BFP) for exports of Canadian products.
- Is the BFP reported in the ECQ under one of the reported Financing programs or is it a separate program not reported in the ECQ? If BFP is a separate category of support, does the programme cover exports of agricultural products? If so, please provide a response to all Export Competition Questionnaire questions.
- d. Can Canada please provide a breakdown of programme use for agricultural products reported under a) Commodities-Grain, Specialty Crops b) Commodities-Meat and c) Processor/Elevator-Grain, Specialty Crops?

AG-IMS ID 87046: Question by United States of AmericaFood Aid - G/AG/W/125/Rev.8/Add.3

The United States resubmits AG-IMS ID 84121: In the 2015 Food Assistance Convention (FAC) annual report, Canada disclosed that cash-based, food for consumption and nutrition intervention programming represented 26%, 52% and 19% of the total eligible expenditures in food assistance funding. The 2015 FAC annual report statement seems to indicate that Canada's international food aid activities include a mix of tools, not only cash-based programming as indicated in Canada's response in last year's Export Competition Questionnaire.

Please provide additional details with regards to how Canada implements its food aid programs, including what other food aid tools are used in addition to on an "untied cash-based basis and fully in grant form".

5 CHINA**AG-IMS ID 87006: Question by European Union**

- a. Why has China not updated its data on export financing programmes operated by China Development Bank, Agricultural Development Bank of China and the Export-Import Bank of China?
- b. The support provided by the Agricultural Development Bank of China and the Export-Import Bank of China is a direct financing support. China notifies that the annual average fees/premium rates per these programmes are not available. So, how does China ensure that the annual average fees/premium rates per these programmes are not below those which the exporters would have to pay for the funds so employed (or would have to pay if they borrowed on international capital markets in order to obtain funds of the same maturity and other credit terms and denominated in the same currency as the export credit) so that no prohibited export subsidies as defined in item (k) of Annex I to the Agreement on Subsidies and Countervailing Measures are granted?
- c. Why has China not updated its data on agricultural exporting STEs as notified to the WTO STE Working Party?

AG-IMS ID 87047: Question by United States of AmericaChina Export Credit - G/AG/W/125/Rev.8/Add.2

The United States notes that in June 2017, China submitted a report showing that for 2016, the Agricultural Development Bank of China, Export Import- Bank of China, and SINOSURE provided agricultural export financing.

- a. In light of this fact, please provide responses for the 2017 and 2018 ECQ.
- b. Noting China's previous response to the 2016 ECQ, please include in the 2018 ECQ information on annual average premium rates and data on program use by product or product group.

AG-IMS ID 87048: Question by United States of AmericaChina Food Aid - G/AG/W/125/Rev.8/Add.3

According to Xinhua press releases, China in 2016 provided bilateral in-kind food aid in response to emergency appeals, which is consistent with China's Nairobi commitments, to Ethiopia, Lesotho, Malawi, Mozambique, Namibia, Niger, South Sudan and Zimbabwe. In 2017, China also provided bilateral food aid to Afghanistan, Ethiopia, Gambia, Kenya, Lebanon, Madagascar, South Sudan, Syrian Arab Republic, Uganda and Zimbabwe.

The United States notes that China did not provide information regarding its bilateral food aid programmes in its response to the Export Competition Questionnaire (ECQ).

- a. Please provide in the ECQ response data for all bilateral food aid provided in 2016 and 2017.

According to the Embassy of the People's Republic of China in the United States' website⁵, China provides three types of foreign aid: grants, interest-free loans and concessional loans.

- b. Please provide information as to whether bilateral food aid programmes using other food aid tools in addition to in "full grant form" were provided for 2016 and 2017. If so, please provide data and a response to food aid question number 5.

AG-IMS ID 87049: Question by United States of America

China State Trading Enterprises - G/AG/W/125/Rev.8/Add.4

The United States appreciates China's transparency, which is important in making the dialogue on agricultural exporting state trading enterprises substantive in the Committee on Agriculture. The United States notes in responses to the ECQ, China reported the total quantity of rice exports through its STEs and stated, "the value and average price are not provided by the enterprises concerned due to confidentiality considerations".

Can China please explain if any rice exports destined to developing countries were provided as food aid or on concessional terms?

- a. If so, please add any pertaining information under response to all ECQ questions for international food aid.

6 EUROPEAN UNION

AG-IMS ID 87050: Question by United States of America

European Union Export Credit - G/AG/W/125/Rev.8/Add.2

- a. The United States notes in the Secretariat Background paper that Bulgaria, Croatia, Estonia, Latvia, and Poland are still reporting maximum repayment terms higher than 18 months.

What steps is the EU taking to ensure all EU Member States' maximum repayment terms are no more than 18 months?

- b. Certain EU Member States have noted in response to missing data that there are no steps planned to gather and make available certain information for agricultural export financing programs because such steps are not required by the Nairobi Decision. However, the Nairobi Ministerial Decision states the following: "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".

Please explain how the COA is to monitor implementation when certain Members will not provide such data?

- c. The United States notes that Estonia provided maximum repayment terms of 24 and 120 months, respectively, for its programmes.

Do these repayment terms apply to agricultural products? If not, what are the maximum repayment terms specifically for agricultural products?

- d. In AG-IMS ID 84119 on Germany's Euler Hermes' export credit insurance programmes under single transaction covers, the EU stated: "No export financing support for agricultural products is provided within these programmes".

⁵ Source: <http://www.china-embassy.org/eng/zt/bps/t943741.htm>.

- i. Please explain what types of exports Euler Hermes is financing.
 - ii. Please confirm whether the German agriculture and food industry benefits as data from the "Export Credit Guarantees of the Federal Republic of Germany" suggests?
- e. According to SACE's 2016 annual report, export credit operations by Italian or foreign banks in support of export operations and transactions insured by SACE to benefit the agro-industry sector through its subsidiaries exceeds EUR 1,088 million.

Please explain why SACE subsidiaries' export financing support activities are not reported in the EU's ECQ response.

- f. According to COSEC's 2016 audited financial statements (page 13), COSEC's activity on behalf of the Portuguese State provides Credit Insurance Line to Short-Term Export and Bond Insurance that in which one of the most benefited sectors from the coverage included food products.

Please explain why COSEC's export financing support activities are not reported in the ECQ response.

- g. According to the European Banking Federation's 2014 report "Funding Conditions in Export Credit Markets", the Slovak Republic's EXIMBANKA SR also offers refinancing to commercial banks active in export financing and the majority of these transactions are short-term, up to one year.

Please confirm whether this refinancing program offers export financing support for agricultural products and explain the basis for not reporting this in the EU's ECQ response.

- h. According to data from Instituto de Credito Oficial's (ICO)⁶, Spain provides export financing support to the agricultural and food sector through Mediation Lines or ICO Lines in which the ICO acts through financial entities. In 2016, Spain's ICO reported a total of 5,385 agricultural and food export operations valued at EUR 422 million.

Please explain why ICO's export financing support activities are not reported in the EU's ECQ response.

AG-IMS ID 87051: Question by United States of America

European Union State Trading Enterprises - G/AG/W/125/Rev.8/Add.4

The United States notes that the EU in its Trade Policy Review (WT/TPR/S/357, page 101, paragraph 3.223) recognize that Finland's Altia (a leading wine and spirits company offering quality brands in the Nordic and Baltic countries and an exporter of alcoholic beverages) is an agricultural exporting state trading enterprise and would be notifying them to the WTO in the future. Please provide information on Finland's Altia as part of the EU's response to the export competition questionnaire (ECQ) on agricultural exporting state trading enterprises.

AG-IMS ID 87052: Question by United States of America

European Union Food Aid - G/AG/W/125/Rev.8/Add.3

In responses to AG-IMS ID 84122 the EU stated: "EU Member States have provided in 2016 in-kind food aid strictly in emergency situations". Please provide, for each of the remaining 27 Member States that have not been reported, all bilateral food assistance programmes (including those for emergency situations).

⁶ Source: [http://www.qcom.es/sector-agroalimentario-ico-lineas-de-mediacion-alimentacion/reportajes/credito-oficial-para-el-mundo-agroalimentario_32566_2_36410_0_1_in.html#lightbox\[32566\]/3/](http://www.qcom.es/sector-agroalimentario-ico-lineas-de-mediacion-alimentacion/reportajes/credito-oficial-para-el-mundo-agroalimentario_32566_2_36410_0_1_in.html#lightbox[32566]/3/)

7 INDIA

AG-IMS ID 87007: Question by European Union

Why has India not updated its data on agricultural exporting STEs as notified to the WTO STE Working Party?

AG-IMS ID 87053: Question by United States of America

India Export Credit - G/AG/W/125/Rev.8/Add.2

- a. With regards to the Indian government-owned entities Export-Import Bank of India (I-Eximbank) and ECGC Ltd: India provided details about I-Eximbank's export financing support programs for agricultural products in response to Members' questions in the 2015 Trade Policy Review (TPR) (RD/TPR/432). India responded to Members' questions regarding ECGC's export financing support that the questions were "not relevant", because "ECGC does not have any specific short term policy for agricultural products".
 - i. Based on India's response in the TPR, please explain why India considers it "not relevant" to provide information on ECGC's export financing support programs for agricultural products, when ECGC's 2016 annual report (see table below) shows that export financing program support for agricultural products is worth USD 3.8 billion.
 - ii. For each export financing support scheme provided by I-Eximbank and ECGC, irrespective of whether any program is specific or not to agriculture, please provide a response to all ECQ with regards to financing transactions for agricultural products in 2016 and 2017.
- b. The United States notes India's ECGC is one of the top five export credit agencies in the world in terms of providing short-term official export credit and working capital volumes. According to ECGC's annual reports for 2016-2017, 2015-2016 and 2014-2015 (see table below), short-term export credit insurance policies for agricultural products (including dairy and process foods), and cotton (fiber, yarn, fabrics made up, including handloom) are the following:⁷

| Annual Report | Agricultural Products | Cotton | Total ST export credit support for agricultural products |
|---------------|-----------------------|------------------|--|
| 2014-2015 | USD 1.88 billion | USD 1.67 billion | USD 3.55 billion |
| 2015-2016 | USD 1.69 billion | USD 2.12 billion | USD 3.81 billion |
| 2016-2017 | USD 1.71 billion | USD 2.14 billion | USD 3.85 billion |

Source: See ECGC's website, <https://www.ecgc.in/financial-result/>

Paragraph 12 of the Nairobi Decision states that:

"With regard to cotton, the disciplines and commitments contained in this Decision shall be immediately implemented as of the date of adoption of this Decision by developed country Members, and not later than 1 January 2017 by developing country Members."

- i. Under export financing support programs provided by ECGC and I-Eximbank, please provide a response to all ECQ questions regarding any financing transactions for cotton.

⁷ Total short-term export credit insurance policies reported are as follows: 2016-17 INR 1,41,398 crores, 2015-16 INR 1,35,872 crores, and 2014-2015 INR 1,33,983 crores. The currency conversion was calculated at an exchange rate of 66 INR to 1 USD for 2016-17, and 64 INR to 1 USD for 2014-16. ECGC's short-term export credit insurance policies for cotton represented 10%, 10% and 8% of its total short-term export credit insurance policies for the respective years. Meanwhile, short-term export credit insurance policies for agricultural represented 8%, 8% and 9%.

8 INDONESIA

AG-IMS ID 87054: Question by United States of America

Indonesia Export Credit - G/AG/W/125/Rev.8/Add.2

Please provide responses to the export credit competition questionnaire (ECQ) with regards to any export financing support programs being operated by the Indonesian government-owned entities Lembaga Pembiayaan Ekspor Indonesia (Indonesia EximBank) and PT Asuransi Ekspor Indonesia (ASEI) , which are reported in Indonesia's Trade Policy Review (WT/TPR/S/278/Rev.1). According to Indonesia EximBank's annual reports financing for agriculture was USD 764.6 million in 2015 and USD 818.7 million in 2016.

9 JAPAN

AG-IMS ID 87055: Question by United States of America

Japan Export Credit - G/AG/W/125/Rev.8/Add.2

The United States appreciates Japan's transparency in reporting its export financing support for agriculture in the Export Credit Questionnaire.

- a. Regarding item number 3 ("Total value of export of agricultural products..."), Japan reports a "Total/Value of export of agricultural products" for each year, but also has a note stating that, "The total export value of agricultural products subject to the programmes is not available". This note seems to contradict the provision of data. Could Japan please explain the meaning of the note?
- b. Please provide the maximum repayment terms and average annual repayment terms.
- c. Japan noted in the 2017 ECQ that data on the, "average premium rates", and the, "annual average repayment period by program are not available". What steps is Japan taking to collect this information and when will it be available?
- d. For export programme use by product or product group, Japan provided only HS codes of agricultural products for the period 1995 – 2016. Please provide quantity and value data on an annual basis for the 2017 ECQ response, as well as going forward.

10 KOREA, REPUBLIC OF

AG-IMS ID 87057: Question by United States of America

Korea Export Credit - G/AG/W/125/Rev.8/Add.2

According to its 2014 Annual Report, the Export-Import Bank of Korea (KEXIM) is responsible for the operation of the Economic Development Cooperation Fund (EDCF), under which 3.6% of loan commitments made in 2014 were for agriculture, forestry and fishing. The United States also notes Korea Trade Insurance Corporation (K-sure) is one of the top five export credit agencies in the world in terms of providing short-term official export credit and working capital volumes.

Please explain why Korea has not reported EXIM Bank's and K-sure's export financing support activities in its ECQ response under the Nairobi Decision on Export Competition.

11 MALAYSIA

AG-IMS ID 87056: Question by United States of America

Malaysia Export Credit - G/AG/W/125/Rev.8/Add.2

The United States notes that Malaysia did not respond to several questions in the 2016 and 2017 export competition questionnaire (ECQ).

- a. Please explain why Malaysia has not responded regarding its activities in 2016 and 2017.

- b. Please confirm when Malaysia expects it will be providing response for 2016 and 2017.

12 NEW ZEALAND

AG-IMS ID 87008: Question by European Union

- a. New Zealand notifies that NZECO provided support via a committed offer to reinsure Australia's export credit office, Efic under an existing contract for the export of dairy cattle and that the repayment term for this programme is longer than 18 months. Could New Zealand confirm that repayment term longer than 18 months would not apply after 31.12.2017 as required by the Nairobi Decision?
- b. In reply to the EU questions raised in the recent meetings of the Committee on Agriculture, New Zealand has repeatedly stated that Zespri is a private company so its decisions relating to the provision of nursery-stock to overseas growers is a commercial decision and in no way involves the New Zealand Government. The EU does not agree with that interpretation. According to the definition of an STEs as laid down in the Understanding on the Interpretation of Article XVII of the General Agreement on Tariffs and Trade 1994, private companies can also be STEs. Therefore, irrespective of its ownership, Zespri is an STEs and so subject to commitments of the Nairobi Decision on STEs, including that of paragraph 20 which rules that "Members shall ensure that agricultural exporting state trading enterprises do not operate in a manner that circumvents any other disciplines contained in this Decision". Export monopoly rights granted to Zespri by the New Zealand's government allow Zespri to provide its kiwifruit nursery stock free-of-charge to growers outside New Zealand therefore circumventing the Nairobi commitment to ban granting export subsidies. Without its export monopoly Zespri would likely not be able to provide kiwifruit nursery stock free-of-charge to growers outside New Zealand. Providing kiwifruit nursery stock free-of-charge to growers outside New Zealand falls under export subsidies according to Annex 1(g) of the ASCM. Could New Zealand explain how it intends to bring itself into compliance with the Nairobi Decision?

13 RUSSIAN FEDERATION

AG-IMS ID 87009: Question by European Union

Russian Federation has notified that JSC Eximbank of Russia [REB] provides lending support towards exports and that REB provides export credit guarantees and related financial support. Could the Russian Federation clarify if any support provided by REB is "direct financing support" as defined by paragraph 13(a) of the Nairobi Decision?

AG-IMS ID 87058: Question by United States of America

Russian Federation State Trading Enterprises - G/AG/W/125/Rev.8/Add.4

The Decree of the President of the Russian Federation of March 20, 2009 No. 290, establishes a number of functions and priority activities to "JSC United Grain Company" (UGC) such as: increasing the volume of grain purchases and sales on the domestic market and increasing grain export volumes. According to UGC's website, OOO OZK Yug is a subsidiary of UGC and carries out commercial activities for the purchase and sale of agricultural products of grain, oilseeds, and groceries on behalf of UGC.

In June 2017 UGC signed a government-to-government contract for the supply of 300,000 tonnes of Russian wheat between the Venezuelan Corporation for Foreign Trade CORPOVEX and OOO OZK Yug.

Please explain why the Russian Federation has not reported UGC and its subsidiaries as agricultural exporting STEs under the Nairobi Decision on Export Competition.

14 THAILAND

AG-IMS ID 87059: Question by United States of America

Thailand Export Credit - G/AG/W/125/Rev.8/Add.2

The United States notes that Thailand responded to the 2016 Export Competition Questionnaire (ECQ) by stating, "For Export Credit and Export Credit Guarantees, conditions and interest rate are determined by market mechanism". The Export-Import Bank of Thailand (EBT), which is reported in Thailand's Trade Policy Review (WT/TPR/S/326/Rev.1) as a government-owned entity, has various export financing support programs for agriculture was USD 365.0 million in 2015 and USD 481.3 million in 2016.⁸

Noting that the Ministerial Decision on Export Competition has no reference to measures being exempt from the commitments because of "market rates", please explain in further detail the basis for why Thailand considers EBT's export financing support activities to not be covered by the Nairobi Decision on Export Competition.

15 TURKEY

AG-IMS ID 87010: Question by European Union

Turkey has notified export credit programmes operated by the Turk Eximbank. Some of these programmes appear to be direct financing support as defined by paragraph 13(a) of the Nairobi Decision. Turkey also notes that the annual average fees/premium rates for these programmes in 2017 are not available. How does Turkey ensure that the annual average fees/premium rates per these programmes are not below those which the exporters would have to pay for the funds so employed (or would have to pay if they borrowed on international capital markets in order to obtain funds of the same maturity and other credit terms and denominated in the same currency as the export credit) so that no prohibited export subsidies as defined in item (k) of Annex I to the Agreement on Subsidies and Countervailing Measures are granted?

AG-IMS ID 87135: Question by European Union

The European Union notes that the total value of agricultural products covered by the Turkish export credits, export credit guarantees or insurance programmes, increased by more than 45% from approximately 2.58 billion USD to approximately 3.74 billion USD between 2016 and 2017 (G/AG/W/125/Rev.8/Add.2).

- a. What are the reasons for the significant increase in the value of agricultural products covered by export financing support between 2016 and 2017?
- b. Which are the major agricultural products covered by the Turkish export financing support?

AG-IMS ID 87060: Question by United States of America

Export Credit - G/AG/W/125/Rev.8/Add.2

- a. Please explain why the annual average premium rate for the export credit program is "N.A." given that this programme supported \$1.75 billion US in agricultural products in 2017.
- b. When does Turkey anticipate being able to provide the export destinations and programme use by product for its agricultural export financing programmes?

16 UNITED STATES OF AMERICA

AG-IMS ID 87011: Question by European Union

The Nairobi Decision in paragraph 25 states that Members are encouraged to provide non-emergency development food assistance where recipient countries or recognized international humanitarian/food entities, such as the United Nations, have requested food assistance. In reply to the EU question in the 85th meeting of the Committee on Agriculture asking the US to specify

⁸ The currency conversion was calculated at an exchange rate of 36.05 THB to 1 USD for 2015 and 35.77 THB to 1 USD for 2016. See EBT's URL:

http://www.exim.go.th/doc/en/about_exim/EXIM_Annual_Report_2016_Eng.pdf and
http://www.exim.go.th/doc/en/about_exim/EXIM_Annual_Report_2015_Eng.pdf

when and in which form have the recipient countries or international entities requested US non-emergency in-kind food assistance, the US said that "The United States provides required information regarding food aid in its NF:1 notifications and its Export Competition Questionnaire submissions to the WTO". Given the absence of the reply to the EU question in both the U.S. NF:1 notification and in the current Export Competition document, the EU would repeat its question: could the US specify when and in which form have the recipient countries or international entities requested US non-emergency in-kind food assistance as required in paragraph 25 of the Nairobi Decision?

AG-IMS ID 87013: Question by Norway

Question to the annual examination of export competition

The US was a driving force behind the rapid implementation of phasing out of export subsidies from December 2015. Members like Canada, Switzerland and Norway had to implement a considerable change in policies in order to comply with the Ministerial Decision. These members have now all notified amended draft schedules for export subsidies.

On the other hand, after more than two years, the US has still not submitted an amended draft schedule for export subsidies.

Question: When will the US submit the amended draft schedule for export subsidies?

17 VIET NAM

AG-IMS ID 87061: Question by United States of America

Viet Nam Export Credit and State Trading Enterprises - G/AG/W/125/Rev.8/Add.2 and G/AG/W/125/Rev.8/Add.4

The United States notes that Viet Nam did not respond to the 2016 or 2017 export competition questionnaire (ECQ). According to Viet Nam's 2015 response, Vietnam Northern Food Corporation (Vinafood 1) and Vietnam Southern Food Corporation (Vinafood 2) account for about half of Viet Nam's rice exports and Viet Nam remains one of the world's largest rice exporters. Further, the United States understands that both entities still maintain exclusive supplier status on government-to-government contracts for rice exports (WT/TPR/M/287/Add.1, page 150).

The United States also understands that Vietnam's Ministry of Finance appointed the Development Bank of Vietnam (DBV) as the government guarantor; and currently, Vinafood 1 is exporting rice through a government-to-government program to Cuba with credit payment terms from 360 to 720 days.

Vinafood 1 and Vinafood 2 appear to fall within the definition of SCM Article 1.1(a)1 and both entities provide export financing support within the definition of paragraph 13(c) government-to-government credit agreements of the Nairobi Decision on Export Competition.

Based on this and other information, it is the United States' understanding Viet Nam should have responded to both the 2016 and 2017 ECQs.

- a. Please confirm whether Viet Nam will be providing response for 2016 and 2017 in the near future.
 - b. If not, please explain why Viet Nam has not responded regarding its activities in 2016 and 2017.
 - c. If Viet Nam considers it no longer has relevant data to report, please explain the specific basis that Viet Nam no longer considers Vinafood 1 and Vinafood 2 as an agricultural exporting STE and does not consider export financing support activities of Vinafood 1 and Vinafood 2 as measures covered by the Nairobi Decision on Export Competition.
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