



Committee on Agriculture

POINTS RAISED BY MEMBERS UNDER THE REVIEW PROCESS

COMPILATION OF QUESTIONS FOR THE MEETING ON 26-27 FEBRUARY 2019¹

The present document compiles questions received by the Secretariat by the deadline of 12 February 2019 as specified in WTO/AIR/AG/34.

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 MATTERS RELEVANT TO THE IMPLEMENTATION OF COMMITMENTS: ARTICLE 18.6

1.1 Egypt's pest control subsidy

1.1.1 Question by Australia (AG-IMS ID 90019)

Australia seeks further information on its question to Egypt at 88th and 89th CoA (AG-IMS ID 88020 and AG-IMS ID 89076) regarding pest and disease control.

Egypt listed a Pest Control Subsidy as "Green Box", noting the measure was directed for pest control for cotton; the subsidy was calculated as a fixed amount per acre for all cotton producers who are small farmers; and pest control is provided in cash to farmers at the end of each season.

Can Egypt explain how the subsidy was tied with actual pest control, given the subsidies were provided at a fixed rate per acre and even pest-free crops could receive the subsidy?

1.2 EU's intervention policy

1.2.1 Question by New Zealand (AG-IMS ID 90026)

Media reports over the past year have suggested that the European Commission is considering revising its ceiling for intervention buying in down to zero tonnes, subject to monthly review. Intervention buying in incentivises production even when market demand is not there, and the stocks accumulated can overhang the market for prolonged period. The Commission's SMP stockpile accumulated during the 2014/15 market crisis has only recently been sold down following a long period of soft prices including for other exporters around the world. There are a wide range of alternative measures available to address the economic distress of producers during a downturn which are less likely to affect markets over such a long period.

- a. What consideration has the European Union given to reforming intervention policy and instead using non-distortive green box measures?
- b. As a leading SMP exporter which benefits from a more stable and undistorted market, what signals is the European Union willing to give regarding future support policy?

1.3 EU- Brexit's no deal scenario

1.3.1 Question by New Zealand (AG-IMS ID 90031)

As the deadline for the UK's exit from the EU approaches on 29 March, both the UK and EU have announced elements of their planning for a 'no deal' scenario. Like the EU and UK, other WTO Members will need to plan for this contingency. For exporters currently accessing the EU28 Market, who are holding export licenses and/or closing commercial contracts to supply agricultural products to the EU and UK, what assurances can the Commission provide to Members that they will continue to be able to supply the EU and UK markets under current terms from 30 March in the event of a 'no deal'? New Zealand expects that the EU and the UK will honour existing arrangements, in terms of certification, licensing, customs checks or other measures which could affect trade.

1.4 India's support to rice exports

1.4.1 Question by Japan (AG-IMS ID 90111)

An article says that India "give a subsidy of 5% for non-basmati rice exports for the four months to 25 March 2019, the trade ministry said in the order dated Nov. 22." (<https://economictimes.indiatimes.com/news/economy/agriculture/india-to-give-5-percent-subsidy-for-non-basmati-rice-exports-for-4-months-government/articleshow/66762378.cms>)

- a. Does India give a subsidy of 5% for non-basmati rice exports as the article says?

- b. If it is true, is India against the Article 8 of the Agreement on Agriculture because it does not have the entitlement of export subsidies in the concession.
- c. If India is not against the Article 8, could India explain the reason in detail?

1.5 India's import duty protections

1.5.1 Question by United States of America (AG-IMS ID 90042)

In 2018, India gradually increased its import duty protections on several edible oils (i.e., soy, sunflower, and canola oils).

- a. Please provide a list of the affected agricultural products with the current and previous import duty.
- b. Please explain the domestic circumstances surrounding, and policy rationale for India raising the import duty on edible oils.

1.6 India's soymeal export subsidies

1.6.1 Question by United States of America (AG-IMS ID 90044)

In July 2018, India increased its export subsidy for soybean meal from 7% to 10%. Noting that India does not have any scheduled export subsidy entitlements:

- a. Please list all subsidy measures provided by India for the export of soybean meal.
- b. Please explain the process by which the subsidies are provided and explain any eligibility criteria.
- c. Please provide the total value and quantity of export subsidies for soybean meal by year and by destination, and in particular to the United States.

1.7 India's proposed domestic support measures

1.7.1 Question by European Union (AG-IMS ID 90003)

The Indian government has unveiled a package of \$2.8 billion in direct payments for India's small farmers by 31 March. This aid package will be paid to the owners of 120 million small and medium-sized farms.

Can India give more detail on this proposed new \$2.8 billion aid programme for farmers including the specific criteria after which the subsidies will be distributed and which sectors are expected to benefit the most from this scheme?

1.8 Mexico's Strategic Programme of Guaranteed Prices

1.8.1 Question by Canada (AG-IMS ID 90089)

- a. In January 2019, the Mexican government announced the Secretariat of Agriculture and Rural Development (SADER)'s budget and priorities for 2019. In the budget, a total of six billion Mexican pesos will be allocated for the implementation of the Strategic Programme of Guaranteed Prices for small producers of basic commodities of corn, beans, wheat, rice, and milk.
 - i. Canada would be interested in the details of the operating procedures for the guaranteed prices programme.
 - ii. Canada understands that under this programme that Mexico will purchase certain volumes of these basic commodities from small scale producers. Could Mexico

elaborate as to how it will dispose of these purchased commodities on the domestic market?

- b. In the same budget for SADER, four billion Mexican Pesos were allocated for the implementation of the second Strategic Programme: credits for the Livestock sector. Canada would be interested in the details of the operating procedures for this programme.
 - i. Could Mexico indicate which states are eligible for this programme?
 - ii. Which types of livestock will be eligible for this support, in order of priority? (For example: beef cattle, dairy cattle, swine, small ruminants, poultry)

1.9 Moldova's environmental charges

1.9.1 Question by Ukraine (AG-IMS ID 90005)

As Ukraine is aware, Moldova applies environmental charges on both imported and domestic products pursuant to the Law No. 1540 dated 25 February 1998 "On Charge for Contamination of Environment" as amended. Specifically, Ukraine understands that charges are applied for primary packaging materials such as plastics and aluminium and packaging such as Tetra Pak and PET-packaging. According to para 6 of Article 11 of the Law certain goods and packaging are exempt from the "Charge for Contamination of Environment". The extent of these exemptions, however, is not entirely clear.

Ukraine exports to Moldova beer, juice containing products, non-alcoholic beverages and other products packaged in such type of packaging.

- a. Could Moldova please clarify if Law No. 1540 as amended applies to all packaging used in beer, juice containing products, non-alcoholic beverages and other products, such as Tetra Pak and PET-packaging?
- b. Could Moldova please verify that this measure does not represent an import restriction, specifically that domestically packaged products and imported products face the same charges for such packaging?

1.10 New Zealand's support to dairy processing facilities

1.10.1 Question by European Union (AG-IMS ID 90006)

Regional Economic Development Minister Shane Jones announced end-November 2018 that the government would provide a \$9.9 million repayable interest-bearing loan for Westland Milk Products from the Provincial Growth Fund. He confirmed that some of the spending from the \$1 billion Provincial Growth Fund will qualify as agricultural subsidies and have to be reported to the World Trade Organization, something New Zealand has not done for 25 years.

The funds to Westland will be used to develop segregation facilities at the co-operative's Hokitika site, which will enable Westland Milk Products to collect and process different types of milk products and milk, such as A2 milk and colostrum.

- a. How does New Zealand intend to notify this support to its dairy sector in its DS:1?
- b. Can New Zealand explain more in detail about this programme and support granted from the Provincial Growth Fund. How much money is available from the fund to agricultural projects, how much for the dairy sector and which agricultural projects are envisaged to be supported?
- c. Is this a shift away from previous declared New Zealand policy of not granting government support to agriculture and the farming sector?

1.11 Nigeria's domestic support programmes

1.11.1 Question by Australia (AG-IMS ID 90034)

Australia welcomes Nigeria's submission of domestic support notifications for the period 2012 to 2016, G/AG/N/NGA/17, in October 2017.

- a. Does Nigeria plan to include key agricultural elements of its Economic Recovery and Growth Plan (2017-2020) in its future domestic support notifications?
- b. Specifically, how will Nigeria classify its support programme for the integrated transformation of the agriculture sector aimed at boosting productivity and improving access to markets?

1.12 Russia's increased support to dairy sector

1.12.1 Question by European Union (AG-IMS ID 90007)

According to Russia Dairy news in late November, the Russian government is increasing support per hectare for farmers by 11 billion rubles (€145m) and the volume of subsidies per litre of milk by 8 billion rubles (€105 million) as part of a general increase in agricultural support to 294 billion rubles next year. Additional funds will be allocated for the recapitalisation of the Rossekhozbank.

- a. Can the Russian Federation explain more in detail the eligibility criteria for these new aid schemes?
- b. What was the purpose of the recapitalisation of Rossekhozbank?

1.13 Switzerland – "Loi Chocolatière" and implementation of the Nairobi Decision on Export competition

1.13.1 Question by European Union (AG-IMS ID 90020)

- a. Can Switzerland confirm that following the new "Loi chocolatière" in operation as of 1 January 2019, an amount equal to previous export subsidies will reach chocolate producers via farmers and private funds?
- b. Can Switzerland explain how the new law complies with the Nairobi Export Competition Decision and its new certified schedule?

1.14 Thailand's support to palm oil growers

1.14.1 Question by European Union (AG-IMS ID 90008)

At the end of November 2018, the National Palm Oil Committee announced that it would support 150,000 palm oil growers with up to 22,500 baht per individual grower for a total cost of 3.5 billion baht for the taxpayer.

- a. Can Thailand indicate the possible effect on palm oil production the following years of this support measures?
- b. How does Thailand intend to notify this support scheme?

Further, the Minister of Energy has announced that the Electricity Authority Thailand will purchase 160,000 tonnes of crude palm oil at a price of 18 baht/kg for the use as fuel in power generation.

- c. Can Thailand confirm that this purchase has taken place?
- d. Can Thailand indicate the current market price for crude palm oil in Thailand?

1.15 U.S. Farm Bill 2018

1.15.1 Question by Australia (AG-IMS ID 90071)

Australia notes the Agriculture Improvement Act of 2018 (otherwise known as the Farm Bill) was signed into law on 20 December 2018:

- a. When will the United States notify this package to the WTO?
- b. How will the support to agriculture authorised in the Farm Bill be classified under the WTO Agreement on Agriculture?
- c. How does support to agriculture authorised in the Farm Bill adhere to WTO limits for domestic support in agriculture (US domestic support is capped at \$19 billion)?

Australia notes the Farm Bill will continue funding for the Market Access Program, Foreign Market Development Program, Emerging Markets Program, and the Technical Assistance for Specialty Crops Program, the four main trade and market access programmes authorised under the previous Farm Bill.

- d. Will the organisations that have been awarded funding under the Agriculture Trade Promotion Program that was introduced as part of the \$12 billion farmer assistance package still be eligible for funding from the Market Access Program (MAP)?
- e. What are the differences between these two programmes?

Australia notes the Margin Protection Program for dairy producers has been renamed as the Dairy Margin Coverage Program and it will modify coverage levels and premiums:

- f. Why have the coverage levels and premiums been adjusted under the programme and to what extent?
- g. What is the forecast uptake of this programme with these modifications?
- h. Australia notes that the sugar programme will continue in its current form under the Farm Bill. Will the continuation of the current sugar programme be impacted by the US-Mexico sugar suspension agreements and will this have any implications for Australia's sugar access under the US WTO sugar quota?
- i. Australia notes the Farm Bill will modify the organic certification requirements for imported agricultural products. What will this involve compared to current process and are these new arrangements expected to change current import requirements?

Australia understands that the United States uses the authorities of the Commodity Credit Corporation to purchase various food stuffs outside of the farm bills, such as the purchase of \$50 million of fluid milk in August 2018, which are then redistributed through nutrition and food assistance programmes.

- j. Does the United States plan to expand commodity purchases under Section 32 of the Commodity Credit Corporation (CCC) Charter Act to additional commodities beyond those included in recent years?
- k. How do commodity purchases under Section 32 differ from those made under the authority of Section 5 of the CCC Charter Act, including those announced under the Food Purchase and Distribution Program as part the \$12 billion package to assist farmers impacted by trade retaliation?
- l. The US Department of Agriculture often notes in Section 32 purchase announcements that purchases are made "with the purpose to encourage the continued domestic consumption of these products by diverting them from the normal channels of trade and commerce".

Does the United States anticipate any market impacts from diverting purchased commodities from the normal channels of trade and commerce?

1.15.2 Question by European Union (AG-IMS ID 90010)

With the renamed Dairy Margin Coverage programme the 'margin coverage levels' are offered at reduced premiums and the range has been increased up to a margin of \$9.50 per hundredweight (cwt.) for milk. The subsidized part of the premiums is going to increase for the first 5 mi. pounds of milk produced.

Can the US indicate the expected increase of the budgetary outlay for this programme in the coming years and whether it is expected to influence the level of production in the US?

1.15.3 Question by India (AG-IMS ID 90037)

- a. The Farm Bill 2018 has made a number of changes in agriculture risk coverage in terms of both price and yield calculations. Under the historical ARC provisions, plug yield was 70% of the county's transitional yield. The Farm Bill changes the plug yield in the ARC benchmark revenue calculation to be no lower than 80% of the county's transitional yield. Beside this, USDA Risk Management Agency trend-adjusted yield factors will be incorporated into the benchmark and actual yield calculations. The United States is requested to explain the reason behind increase in plug yield as well as using trend adjusted yield factors in calculation of ARC payments.
- b. Under the recent Farm bill, fixed reference prices for PLC are now allowed to "float" higher based on the Olympic moving average price and may increase to as much as 115% of the statutory reference price. Beside this, market loan rate for covered commodities has also been significantly increased. What is the rationale for adopting a floating rate reference price and increase in market loan rate for the covered commodities?

1.16 U.S. trade promotion payments

1.16.1 Question by European Union (AG-IMS ID 90013)

The U.S. Department of Agriculture awarded \$200 million to 57 organizations through the Agricultural Trade Promotion (ATP) Program to help U.S. farmers and ranchers identify and access new export markets. Can the US give any more detail on the criteria and eligibility for these programmes?

1.17 U.S. Boston Bounty Bucks funds programme

1.17.1 Question by India (AG-IMS ID 90038)

Boston Bounty Bucks funds administered through the Boston Collaborative for Food and Fitness (BCFF), is a dollar-for-dollar matching programme that enables farmers' market customers using Supplemental Nutrition Assistance Program (SNAP) benefits to expand their purchasing power. Programme participants receive double the amount spent in SNAP benefits at farmers' markets (up to \$10.00). The goals of Boston Bounty Bucks programme were to provide more direct sales opportunities for regional farmers through the creation of new and expanded farmers' markets in Boston and to increase the economic viability of local farmers' markets by making them accessible a new pool of consumers- those who use food stamps/EBT benefits to purchase their food. It seems that, under this scheme the regional farmers get direct incentives by using the SNAP. The United States is requested to clarify the following:

- a. How is the Boston Bounty Bucks funds notified in the domestic support notifications?
- b. Under which category (Green, Blue, or Amber box) the subsidies are/would be notified?

1.18 Canada's New Milk Ingredient Class

1.18.1 Question by New Zealand (AG-IMS ID 90018)

In 2015, before Class 6 was implemented in Ontario, total skim milk powder (SMP) exports for the calendar year were 13,671 tonnes. In 2016 this amount almost doubled to 23,687 tonnes. In 2017, following the implementation of the national milk ingredient strategy (Class 7) total SMP exports tripled at 71,861 tonnes. For the 11 months to November 2018 total SMP exports already total 61,635 tonnes. Canada assured Members at the November 2018 Committee on Agriculture (AG IMS ID 89055) that under the United States-Mexico-Canada Agreement (USMCA) it had agreed to ensure elimination of milk classes 6 (in Ontario) and 7, including their associated milk class prices, within six months from entry into force of the agreement. Given the negative impact these high volumes of SMP on the global market continue to have on other major dairy exporting countries, can Canada provide an update on what it is doing to eliminate milk classes 6 and 7, and their associated milk class prices?

1.18.2 Question by New Zealand (AG-IMS ID 90120) and United States of America (AG-IMS ID 90039)

- a. In AG-IMS ID 89020, Canada stated that it was in the process of verifying the accuracy of data related to milk class prices, utilization, and sales. Canada also stated that once completed, this information would be provided. Is this information available? If not, please provide an update on when and where this information will become available.
- b. In AG-IMS ID 89020, Canada stated that it is not obliged to publish a full list of eligible Class 7 products and is not in a position to confirm whether the list is identical to the list included in Dairy Farmers of Prince Edward Island Board Order DFPEI 2017-06, Nova Scotia Reg. 12/2017, and Saskatchewan Order No. 28/17.

What information will Canada publish regarding Class 7 eligibility to inform Members' understanding of Class 7 and ensure Canada is complying with its WTO commitments regarding the implementation of this government measure?

- c. In AG-IMS ID 89020, Canada states that processor margins "may include return on investment for the processors" but did not answer the U.S. question about how this factor of the margin is determined. Please explain how the return on investment is determined.

1.19 Canada's wine sale policy

1.19.1 Question by United States of America (AG-IMS ID 90040)

Canada has not yet responded to the questions posed by the United States in AG-IMS ID 85012, AG-IMS ID 86034, AG-IMS ID 87016, AG-IMS ID 88096, and AG-IMS ID 89021. As such, the United States repeats its previous questions.

- a. In AG-IMS ID 84105, Canada states that "The LCBO will consider making wines from Vintages Essentials, a sub-category of Vintages comprising products that are continuously available, available to grocers by moving them to the LCBO Wines category".
 - i. Are Ontario and/or Canadian wines that are on the Vintages Essential list allowed to be sold in grocery stores?
 - ii. Would Ontario and/or Canadian wines that are on the Vintages Essential list need to move to the LCBO Wine category (and off of the Vintages Essential list) in order to be sold in grocery stores?
 - iii. If Ontario and/or Canadian wines are allowed to be sold in grocery stores without moving off the Vintages Essential list to the LBCO Wines category, but imported products are not, what is the policy justification?

- b. In the implementation of Ontario Regulation 232/16, how many restricted beer and wine authorizations and other beer and wine authorizations have been distributed to operators of grocery stores in Ontario?
- c. In the implementation of Ontario Regulation 232/16, how many authorizations have been distributed for a "wine boutique sales agent" (a single authorization that permits the operator of a grocery store to sell, as agent of a winery that operates a wine boutique inside the store, wine offered for sale in the boutique)?
- d. What is the rationale for the Liquor Control Board of Ontario (LCBO) product call that Canada provided in AG-IMS ID 82002 specifying different retail price parameters and size parameters for imported bag in box wine than for the category of existing Ontario bag in box wine? (<http://www.doingbusinesswithlcbo.com/tro/Forms-Documents/LettersToTheTrade/Downloads/LCBO%20Wines%20Bag%20in%20Box%20Tender.pdf>)
- e. Would Canada please confirm imported bag in box wine is limited to four stocks keeping units (SKUs) in LCBO stores while Ontario bag in box wine is limited to 40 SKUs? If confirmed, please explain the rationale for this split between imported and Ontario products.
- f. According to Canada's STE notification (G/STR/N/16/CAN), Nova Scotia applies mark-ups to commercial wines that have been bottled in the province differently than commercial wine that have been bottled outside the province. Specifically, commercial wines that are bottled in Nova Scotia are afforded a mark-up reduction of 20 percentage points (from 140% to 120%).
 - i. Would Canada make available the Nova Scotia Liquor Corporation documents setting out mark-ups for commercial wines bottled in the province and bottled outside the province?
 - ii. Given that only commercial wines bottled in Nova Scotia would appear to qualify for this benefit, could Canada please explain how this policy ensures non-discrimination against foreign products?
- g. The Nova Scotia Liquor Corporation maintains a preferential mark-up for Emerging Wine Regions (currently 43%). How does a producer from an emerging wine region, as defined by the NSLC, apply for recognition of their emerging wine region status?
- h. Please provide a list of non-Canadian Emerging Wine Region wines available for sale through the NLSC.

1.20 EU's CAP reform

1.20.1 Question by Australia (AG-IMS ID 90022)

Australia seeks further information on the status of the European Commission's CAP reform proposal. While Australia welcomes the proposal to reduce total CAP funding, Australia has concerns regarding the increased flexibility provided to individual member States to design tailor-made programmes for farmers and rural communities. Australia understands under the current proposal that member States will have the option to transfer up to 15% of their CAP allocations between direct payments (pillar 1) and rural development (pillar 2) priorities in line with their EC approved Strategic Plan.

- a. Will the EC set minimum funding requirements (in Euros) per member State for pillar 1 and pillar 2?
- b. Given the increased flexibility devolved to member States, how will the EC ensure each Strategic Plan is WTO compliant?

- c. If member States deviate from their strategic plans, will there be any punitive actions taken by the EC?
- d. Furthermore, as a major canola exporter to the EU, Australia seeks further information on the EU's plan to improve protein crop production.
- e. Does the EC's CAP reform proposal plan to increase the supplementary rate for coupled income support for protein crops (from 2%)?

1.21 European Union - Modification of agricultural schedule of commitments

1.21.1 Question by Canada (AG-IMS ID 90087)

As a result of Brexit, the European Union is planning to unilaterally apportion its Tariff Rate Quota volumes between it and the United Kingdom as of 29 March 2019.

- a. Given the allocation of certain quota volumes for 2019 has already occurred, and in many cases, import licences may have already been issued, how does the European Union (EU) propose to manage the change to its quotas from its existing EU-28 schedule to its new EU-27 draft schedule during the quota year?
- b. How will EU importers be expected to manage existing contracts to import products into the UK (whether directly or indirectly) under EU-28 quotas?
- c. How is the EU informing importers of the intended changes?

1.21.2 Question by New Zealand (AG-IMS ID 90028)

The EU has launched Article XXVIII negotiations in response to Brexit, which are due to start in the coming weeks, once claims of interest have been acknowledged. While the EU has signalled its desire to engage in those negotiations in good faith, it appears that the impact of EU regulation 2019/216 published 30 January this year in the event of a 'no deal' would be to unilaterally impose an outcome before affected Members have had a chance to engage in negotiations with the EU.

Can the EU clarify how it intends to act ensure negotiations can proceed in an open and fair manner?

1.22 Ghana's poultry imports

1.22.1 Question by United States of America (AG-IMS ID 90041)

The United States requests a response to AG-IMS ID 89023:

The United States understands that Ghana has established new import requirements on poultry imports. These new measures appear to restrict the quantity of imports and limit time for which a permit is valid.

- a. Please explain which of Ghana's laws, regulations, or other relevant policy directives have been added or modified to reflect these changes.
- b. Where are these documents published?
- c. Please describe how this new measure is being implemented.

1.23 India's pulses policies

1.23.1 Question by Australia (AG-IMS ID 90032)

Further to Australia's previous questions at the last Committee meeting (89th CoA), Australia has a series of follow-up questions regarding Indian measures relating to pulses.

Australia notes that India's quantitative restriction (QR) of 100,000 tonnes of peas (including Yellow Peas, Green Peas, Dun Peas and Kaspa Peas) in Notification No. 4/2015-2020 of 25 April 2018 for a period of three months (1 April to 30 June 2018) has now been extended three times.

- a. Australia requests India to advise whether any additional volume was included as part of the most recent extension from 1 January 2019 to 31 March 2019?

In a previous response to this Committee (ID 89057), India stated 466,000 metric tonnes of peas were imported against a QR of 100,000 metric tonnes in the 12 months to September 2018.

- b. Australia requests India to advise which countries these peas were imported from?
- c. Of the 466,000 metric tonnes, how many peas were imported after 1 April 2018?
- d. Could India please indicate the total quantity of peas imported (by country) between 1 October 2018 and 31 December 2018?

1.23.2 Question by Canada (AG-IMS ID 90088)

On 25 April 2018, India introduced a quantitative restriction, which imposes a 100,000 tonnes limit on the volume of dry peas that can be imported from all countries. This import limit on dry peas has been extended multiple times and on 31 December 2018, India announced that this restriction is being extended for a period of three months until 31 March 2019.

- a. Could India indicate if the quantitative restrictions (QR) on dry peas will be renewed after 31 March 2019?
- b. Considering that the QR have been in place for almost a year could India indicate under which provision of the GATT or WTO Agreements that is being used to support this restriction?
- c. Please provide updated monthly numbers for the wholesale price index (WPI) for pulses since August 2018.

1.23.3 Question by Russian Federation (AG-IMS ID 90029)

In November 2017 the government of India increased the import tariffs on yellow peas up to 50%. In addition to this measure on 25 April 2018 India introduced a quantitative restriction on import of yellow peas. According to this new restriction the allowed amount of import of yellow peas to the territory of India shall be 100 000 MT from 1 April to 30 June 2018. After the expiry of this measure the quota was extended until 30 September 2018. In late December 2018 the Ministry of Commerce and Industry of India issued a notice restricting the import of yellow peas from 1 January 2019 until 31 March 2019.

Could India clarify the following issues:

- a. What is the amount of yellow peas eligible to be imported from 01 January 2019 until 31 March 2019?
- b. Could India provide the amount of yellow peas imported over the periods from 1 April to 25 April 2018, from 1 April to 30 June 2018, and from 2 July to 30 September 2018?
- c. How these measures (quantitative restrictions and import ban) are consistent with Article XI:1 of the GATT and Article 4.2 of the Agreement on Agriculture?

1.23.4 Question by Ukraine (AG-IMS ID 90004)

India has put in place quantitative restrictions on dry pea imports since April 2018. As Ukraine currently understands, these restrictions elapsed on 31 December 2018. According to the media, India is expecting a drop in domestic production of pulses output in 2019.

- a. Could India please confirm that quantitative restrictions for dry peas are no longer in place as of 1 January 2019?
- b. Does India have preliminary 2019 production estimates for pulses, and what factors are deemed critical for India's 2019 production level of dry peas?
- c. Does India have any intention to reinstitute quantitative or other restrictions on any pulse imports in 2019?

1.23.5 Question by United States of America (AG-IMS ID 90043)

The United States notes that India has again extended the quantitative restriction for peas through 31 March 2019.

- a. India has indicated that the quantitative restrictions, which were first implemented starting in April 2017, are temporary. When does India intend to end the restriction?
- b. What are the criteria India uses to determine whether the quantitative restrictions will remain in place or be removed?
- c. India has previously agreed to provide an explanation for the restrictions in other WTO Committees. When and in which committee will India provide a full explanation?

1.24 India's sugar policies

1.24.1 Question by Australia (AG-IMS ID 90033)

Further to Australia's previous questions regarding sugar measures implemented by the Government of India, Australia has a series of follow-up questions.

- a. Could India please indicate whether it will increase the current mandatory minimum selling price for sugar from Rs 29 per kg?
- b. Will the government of India increase the level of buffer stocks of sugar from the current level of three million tonnes? In addition, does the Government of India intend to increase the current carrying cost reimbursement from Rs .1175 crore?

1.25 India's skim milk powder export subsidies

1.25.1 Question by European Union (AG-IMS ID 90002)

- a. In reply to questions AG-IMS ID 89026 and AG-IMS ID 88070 in previous meetings India promised to give figures on:
 - the total quantity of SMP exported with subsidy;
 - total value of subsidies and;
 - total costs of these subsidies as promised.

However this data is not yet available in AG-IMS. Could India deliver this data as soon as possible, covering both the federal government level and subsidy granted by the states of Gujarat and Maharashtra respectively.

- b. India also indicated in the last meeting that it intended to forward a notification of its export subsidies. Can India indicate a possible timeframe for this notification?

1.26 Mongolia's quota regime for importation

1.26.1 Question by Russian Federation (AG-IMS ID 90027)

Follow up to questions AG-IMS ID 87094 and ID 88104:

In 2013 Mongolia established a quantitative regime for importation of certain agricultural products, including wheat flour and milk. In late 2016 the Ministry of Food, Agriculture and Light Industry of Mongolia established an import prohibition on wheat flour. In May 2018 Mongolia put in place a quota for import of wheat flour for the rest of the year 2018. The Ministry of Food, Agriculture and Light Industry of Mongolia published a notice for importers to submit the applications for allocation of quota volume only in July 2018. Despite the fact that the deadline for submitting applications for quota allocation was 19 July 2018, the Ministry of Food, Agriculture and Light Industry of Mongolia failed to allocate the quota volume among the importers of wheat flour in 2018. As a result, imports were restricted even within the quota volume; and, a de facto import ban on wheat flour prevailed throughout the whole last year. On 18 January 2019 the Ministry of Food, Agriculture and Light Industry of Mongolia issued a decree that opens the import of certain amounts of agricultural products, including wheat flour and milk. The Russian Federation welcomes the intention of Mongolia to introduce a quota for import of wheat flour in 2019. However, the Russian Federation is seeking further clarification from Mongolia regarding its quota regime, in particular:

- a. Could Mongolia explain the reasons for not allocating the wheat flour quota volume among the importers in 2018?
- b. Whether Mongolia is going to allocate the quota volume among the importers of wheat flour for 2019 quota year? When Mongolia is going to issue a decision allocating the quota volume among the importers?
- c. Please explain how Mongolia's import restrictions, both quotas and import prohibitions, are consistent with Article XI of the GATT 1994 and Article 4.2 of the Agreement on Agriculture.

1.27 Pakistan's wheat export subsidies

1.27.1 Question by United States of America (AG-IMS ID 90045)

In response to AG-IMS ID 88072, Pakistan claimed it is only providing freight and marketing support for exports. According to Agreement on Agriculture Article 9.1(d), this would include items such as: handling, upgrading and other processing, and international transport and freight, as well as favourable internal transport and freight charges. Note that a) the support price in Pakistan is Rs 1300 per 40 kg, or about \$265 per MT at August 2018 exchange rates, and b) that Pakistan authorized the export subsidy price of up to \$159 per metric tonne. By USDA estimates, if all other costs were covered and wheat was sold at that price FOB, Pakistan would still be one of the highest price origins in the world.

- a. Please provide additional information and data that would clarify that the subsidy is only being provided for the internal transport and freight charges on export shipments.

According to the Nairobi Ministerial Decision, "Members shall seek not to raise their export subsidies beyond the average level of the past five years on a product basis". Pakistan announced a subsidy for wheat exports early in 2018, which expired on 30 June 2018. Pakistan reportedly announced additional funding for subsidizing wheat exports in November 2018.

- b. Please provide an update on the wheat export subsidy programmes, including the quantity of wheat exported under these programmes during 2018.
- c. Please provide any details on how this measure differs from the previous measure governing the programme that expired in June.
- d. Does Pakistan plan to provide increased levels or extend its current support levels for wheat exports going forward?

1.28 Sri Lanka's tax on imported milk powder

1.28.1 Question by New Zealand (AG-IMS ID 90068)

New Zealand refers to its question at the November 2018 Committee on Agriculture (AG-IMS ID 89064) when New Zealand noted that Sri Lanka was applying a Value Added Tax (VAT) on imported milk powder while exempting domestic producers.

- a. New Zealand again asks Sri Lanka to explain how its application of VAT on imported product and not on domestically produced goods complies Article III of the GATT 1947?

At the time of the last Committee on Agriculture meeting, New Zealand's understanding was the tariff on milk powder would be removed for two weeks to enable importers of milk powder to clear product. After the two weeks a lower tariff would be re-imposed and a review of the tariff settings on milk powder was scheduled to occur in January 2019.

- b. Can Sri Lanka update the Membership on its progress with a review of its tariff settings?

1.29 Turkey's flour export and Turkish Grain Board

1.29.1 Question by European Union (AG-IMS ID 90009)

According to the latest available export statistics, Turkey has increased the export of flour from 2.1 million tonnes in 2013 to nearly 3.5 million tonnes in 2017 (Source GTA), which is an increase of 63% in four years.

Year	Customs code	Exported quantity tonne
2013	11 01 00	2.142.367
2014	11 01 00	2.207.218
2015	11 01 00	2.796.517
2016	11 01 00	3.532.690
2017	11 01 00	3.489.624

- a. Can Turkey indicate the share of this quantity which has been exported under inward processing?

Further, the Turkish Grain Board (TMO) has been buying common wheat on the internal market and releasing it on the internal market at a lower price. For instance, in 2013 the buying-in price was between 296 \$/tonne and 386 \$/tonne, while it was released on the Turkish market for 223 \$/tonne.

- b. Can Turkey explain in more detail about this scheme for buying-in and release of wheat by the TMO in the years since 2013, including prices?
- c. How does Turkey intend to notify this support in its future DS:1 notifications?

1.30 U.S. proposed domestic support measures

1.30.1 Question by Australia (AG-IMS ID 90035)

Australia thanks the United States for its update to Australia's questions at the 89th CoA regarding the implementation of the assistance package for farmers impacted by trade retaliation. Australia is seeking an update from the United States on the second and final round of trade mitigation payments announced in December 2018.

- a. With applications for the Market Facilitation Program closing on 14 February, could the United States please indicate the total amount of expenditure under the programme?
- b. How many applications were received (by commodity)?
- c. If total expenditure is less than the \$9.6 billion estimated by USDA, will excess funding (remainder of \$12 billion) be used for other agricultural programmes?

1.31 U.S. support to cotton sector

1.31.1 Question by India (AG-IMS ID 90036)

The Bipartisan Budget Act of 2018 made cotton producers eligible for Title I farm programmes by designating seed cotton, i.e. a combination of both cotton lint and cottonseed, a covered commodity, effective for the 2018/19 marketing year. United States is requested to explain the following:

- a. What factors were taken into consideration while determining the reference price for seed cotton at 36.7 cents per pound?
- b. Why was there a need to include seed cotton under covered commodity to make it eligible for PLC/ARC programmes?
- c. It is understood that for seed cotton, PLC payments will be made if the marketing year average price falls below the reference price. How will the marketing year average price be calculated?
- d. In case marketing year average price is based on the weighted prices of upland cotton and cottonseed, what weights would be used?
- e. Please provide the data on total area covered under cotton crop during years 2014 to 2019. Since the introduction of cotton as a covered commodity under the Bipartisan Budget Act of 2018, how many generic acres have been reallocated to plant cotton?
- f. Please provide data indicating the number of cotton farmers who have opted for PLC and ARC programmes since 2018 till date.

The Cotton Ginning Cost Share Program, 2016 was a programme of the USDA to provide one-time payment to producers of cotton to cover ginning costs. A similar programme introduced in year 2018, right after the Bipartisan Budget Act, 2018 included "seed cotton" in the covered commodity list, thereby making the cotton producers eligible for Price Loss Coverage (PLC) or Agriculture Revenue Coverage (ARC) programmes.

- g. In this context, could the United States clarify if a cotton producer covered under the PLC or ARC programmes will also be eligible for the CGCS Program, 2018.

1.32 Zimbabwe's tobacco export incentive

1.32.1 Question by United States of America (AG-IMS ID 90046)

As a follow up to AG-IMS ID 89033 and AG-IMS ID 88076, the United States would like to reiterate the following question, for which Zimbabwe has not provided a written answer:

The United States understands the government of Zimbabwe's Reserve Bank of Zimbabwe (which is the central bank) is providing tobacco growers a performance export bonus as an incentive to grow the country's production and increase exports. For the 2018 marketing season, the central bank, has increased the export incentive from 5% to 12% and up to 17.5% for top exporters.

- a. Please explain these agriculture support measures implemented by Zimbabwe's central bank during the marketing periods 2017 and 2018.
- b. What is the legal basis under the Agreement on Agriculture and the Nairobi Decision that allows for this kind of agriculture support measure?

2 POINTS RAISED IN CONNECTION WITH INDIVIDUAL NOTIFICATIONS

2.1 Imports under tariff and other quota commitments (Table MA:2)

2.1.1 India (G/AG/N/IND/14)

AG-IMS ID 90072: Question by Australia - Tariff quota fill

Australia welcomes India's notification concerning imports under tariff quotas (Table MA:2) for the 2010/11, 2011/12, 2012/13, 2013/14, 2014/15, 2015/16 and 2016/17 marketing years.

- a. Can India explain the reason for the under-fill for the maize (corn) tariff quota for MY 2010/11, 2011/12, 2012/13, 2014/15, 2015/16 and 2016/17?
 - i. Can India explain whether the under-fill was due to market circumstances, the existence of SPS measures, or restrictive tariff quota administration?
 - ii. Can India explain the reason behind the lack of applications in MY 2010/11, 2012/13, 2014/15 and 2016/17?
- b. Can India explain what it is doing to increase utilisation of its under-filled tariff quota, as per the objective of the review of the Bali Decision on TRQ Administration?

2.1.2 Israel (G/AG/N/ISR/70)

AG-IMS ID 90030: Question by Russian Federation - Transparency issues

Notified "in-quota imports during period" for all tariff rate quotas significantly exceed "tariff quota quantity for period" levels while fill-rate equals 100%. Is it correct that volumes specified in column "In-quota imports during period" represent total imports (including out-of-quota import) under the tariff line(s) for which TRQs were opened?

2.1.3 The former Yugoslav Republic of Macedonia (G/AG/N/MKD/22, G/AG/N/MKD/24)

AG-IMS ID 90048: Question by Russian Federation - Tariff quota fill

The fill-rate of tariff rate quota for "other spelt, other than common wheat and meslin seed" have fallen by almost 20% (from 28% to 9,4%) resulting in quite low fill-in rate as it was notified by the Former Yugoslav Republic of Macedonia in G/AG/N/MKD/22 and G/AG/MKD/24. Could the FYR of Macedonia clarify the reasons for the decrease and low fill-rates of the mentioned tariff rate quota?

AG-IMS ID 90073: Question by Australia - Tariff quota fill

Australia welcomes the Former Yugoslav Republic of Macedonia's notification concerning imports under tariff quotas (Table MA:2) for the 2018 marketing year (G/AG/N/MKD/24).

- a. Can the Former Yugoslav Republic of Macedonia explain the reason for the under-fill for the spelt tariff quota for MY 2018?
 - i. Can the Former Yugoslav Republic of Macedonia explain whether the under-fill was due to market circumstances, the existence of SPS measures, or restrictive tariff quota administration?
- b. Can the Former Yugoslav Republic of Macedonia explain what it is doing to increase utilisation of its under-filled tariff quota, as per the objective of the review of the Bali Decision on TRQ Administration?

AG-IMS ID 90090: Question by Canada - Tariff quota fill

Canada notes that, in the Former Yugoslav Republic of Macedonia's (FYROM) most recent MA:2 notification (G/AG/N/MKD/24), which covers the 2018 marketing year, the fill rate for its sole tariff-rate quota (wheat, other than durum wheat or seeds) is low (9.4%). Looking at the FYROM's previous notifications (G/AG/N/MKD/19 and G/AG/N/MKD/22), covering the 2013-2017 marketing

years, Canada notes that the fill rate for the same tariff-rate quota (TRQ) has remained at or under 30%.

- a. Could the Former Yugoslav Republic of Macedonia explain why the fill rate for its wheat TRQ remains low?
- b. Has the Former Yugoslav Republic of Macedonia considered putting in place a TRQ administration policy that is conducive to TRQ utilization?

2.1.4 Ukraine (G/AG/N/UKR/32)

AG-IMS ID 90074: Question by Australia - Tariff quota fill

Australia welcomes Ukraine's notification concerning imports under tariff quotas (Table MA:2) for the calendar year 2017.

- a. Can Ukraine explain the reason for the under-fill for the raw cane sugar tariff quota for 2017?
 - i. Can Ukraine explain whether the under-fill was due to market circumstances, the existence of SPS measures, or restrictive tariff quota administration?
- b. Can Ukraine explain what it is doing to increase utilisation of its under-filled tariff quota, as per the objective of the review of the Bali Decision on TRQ Administration?

2.2 Special Agricultural Safeguards (Tables MA:3 to MA:5)

2.2.1 Chinese Taipei (G/AG/N/TPKM/168, G/AG/N/TPKM/169, G/AG/N/TPKM/171)

AG-IMS ID 90049: Question by Russian Federation - Transparency issues

Follow up to question AG-IMS ID 89073:

The volume-based special safeguard for garlic applied since 14 December 2018 was notified on 3 January 2019 (G/AG/N/TPKM/168). The volume-based special agricultural safeguard on dried shiitake applied since 21 December 2018 was notified on 17 January 2019 (G/AG/N/TPKM/169). The volume-based special agricultural safeguard for peanuts which was in force since 25 December 2018 was notified on 22 January 2019 (G/AG/N/TPKM/171). The volume-based special agricultural safeguard for red beans applied since 21 December 2018 was notified on 24 January 2019 (G/AG/N/TPKM/172).

Paragraph 7 of Article 5 of the Agreement on Agriculture states that "Any Member taking action under subparagraph 1(a) above shall give notice...in any event within 10 days of the implementation of such action". Could please Chinese Taipei please kindly clarify the reasons for this delay?

2.3 Domestic Support commitments (TABLE DS:1)

2.3.1 Australia (G/AG/N/AUS/117, G/AG/N/AUS/118)

AG-IMS ID 90050: Question by United States of America - Non-product-specific AMS

Supporting Table DS:9:

The United States understands the "Package Assisting Small Exporters (PASE)" provides rebates to small exporters to cover 50% of export registration charges. The package funded projects to help reduce barriers and/or assist with marketing strategies for small exporters with grant payments over a number of years out to 2021-2022.

Please specify the eligibility criteria for this measure, including a) whether there are any commodities or products not eligible to receive payments, and b) whether there is any requirement to export.

2.3.2 Australia (G/AG/N/AUS/99, G/AG/N/AUS/109)

AG-IMS ID 90059: Question by India - Other product-specific AMS/EMS

In Australia's response to India's question AG-IMS ID 88050 regarding support provided by the Australian government for live cattle exports to Indonesia, Australia states that "...the support was eligible only for those primary producers involved in the live cattle export trade to Indonesia during the 2011-12 financial year". On the basis of this statement, it appears that the Australian government provided incentives to primary producers on the basis of export performance. How does Australia justify the notification of the above-mentioned support as domestic support and not export subsidy?

2.3.3 Brazil (G/AG/N/BRA/52)

AG-IMS ID 90014: Question by European Union - Non-product-specific AMS

- a. For the marketing credit measures
 - i. Can Brazil indicate the total credit amount and the average subsidised rate for these loans/credits?
 - ii. Can Brazil indicate the commercial rate for bank loans for such types of loans?
- b. For the debt rescheduling programmes, can Brazil explain more in detail how these programmes work, the eligibility criteria and the types of farms that benefit the most from these programmes?

2.3.4 China (G/AG/N/CHN/42, G/AG/N/CHN/43, G/AG/N/CHN/44, G/AG/N/CHN/45, G/AG/N/CHN/46, G/AG/N/CHN/47)

AG-IMS ID 90077: Question by Australia - - Transparency issues (including Table DS:2)

Australia is seeking further information from China regarding the following aspects of its recently submitted domestic support notifications for the period 2011-2016 (G/AG/N/CHN/42 - G/AG/N/CHN/47).

- a. Over the period from 2011-2016, were all farmers eligible to receive both the minimum purchase price and to access temporary reserve measures for the following commodities?
 - Corn (2011-2016);
 - Soybean (2011-2014);
 - Cotton (2011-2014);
 - Rapeseed (2011-2015);
 - Sugar (2011-2013);
 - Wheat (2011-2016);
 - Rice (2011-2016).
- b. In addition, Australia would appreciate further information on the design and structure of the Temporary Reserve Programme. Are there any other agricultural commodities that are currently eligible to access the Programme?
- c. Australia would appreciate further information clarifying why eligible production and the administered price for Indica and Japonica rice were converted to those of milled rice? What is the basis of the 70% conversion rate stated in these notifications?
- d. Australia seeks further details of what programmes or measures are included in "other non-exempt direct payments" for soybean and cotton over the period 2014-2016?
- e. Could China please provide further examples of programmes included under "general subsidies for agricultural production supplies" across 2011-2016?

AG-IMS ID 90021: Question by European Union - Transparency issues (including Table DS:2)

The EU notice that several Chinese media reports refer to the active crop insurance policy.

- a. Can China explore more in detail the instruments China use in this context, including the level of loss needed to become eligible for such support?
- b. Can China indicate how these measures have been included the DS:1 notifications for the years 2011-2016?

AG-IMS ID 90061: Question by Russian Federation - Transparency issues (including Table DS:2)

Current Total AMS for corn in 2015 is a sum of support from "Temporary reserve programme" and "subsidies for improved crop strains and seeds". Temporary Reserve programme for corn was terminated in 2016 (Note "c" to Supporting Table DS:5 in the notification G/AG/N/CHN/44). Supporting Table DS:7 to the notification G/AG/N/CHN/46 states that provision of "target price" and "subsidies for improved crop strains and seeds" for soybeans has resulted in Total AMS of 65.8 million hundred CNY. Supporting table DS:4 states that support of 65.8 million hundred CNY was included in calculation of Current Total AMS.

Current Total AMS for cotton in 2015 consists of "target price" and "subsidy for improved crop strains and seeds", and "cost subsidy for transporting cotton out of Xinjiang Uygur Autonomous Region". Notes from "c" to "f" to Supporting Table DS:5 in the notification G/AG/N/CHN/44 state that the following measures were terminated: "c. Temporary Reserve programme for corn was terminated in 2016. d. Temporary Reserve programme for soybean was terminated in 2014. e. Temporary Reserve programme for cotton was terminated in 2014. f. Temporary Reserve programme for rapeseed was terminated in 2015."

Note "c" to the Table DS:1 in notification G/AG/N/CHN/46 covering the period of calendar year 2015 specifies that all measures accumulated in the volume of Current Total AMS in column 3 of Table DS:1 were terminated. The above-mentioned measures include support for corn, cotton and soybeans. Note "c" to Supporting Table DS:4 in notification

G/AG/N/CHN/46 states that support measures for corn, soybean and cotton were terminated. Termination of Temporary Reserve programmes for corn, soybean and cotton is clearly stated while for other above-mentioned measures it is not. Notification G/AG/N/CHN/47 covering period of calendar year 2016 still includes "subsidies for improved crop strains and seeds" for corn, "target price" for soybeans, "target price" for cotton, and "cost subsidy for transporting cotton out of Xinjiang Uygur Autonomous Region" for cotton.

Could China please clarify were "subsidies for improved crop strains and seeds" for corn; "target price" for soybeans; "target price" and "subsidy for improved crop strains and seeds" for cotton; and "cost subsidy for transporting cotton out of Xinjiang Uygur Autonomous Region" terminated? If terminated, then, please, specify when.

AG-IMS ID 90056: Question by Russian Federation - Transparency issues (including Table DS:2)

The Russian Federation welcomes notifications on Domestic Support covering calendar years from 2011 to 2016 submitted by China on 11 December 2018.

- a. Could China please provide the reasons for the delay of notifications starting from 2011?
- b. When does China plan to notify its domestic support measures for 2017 calendar year?

In notifications G/AG/N/CHN/42, G/AG/N/CHN/43, G/AG/N/CHN/44, G/AG/N/CHN/45, G/AG/N/CHN/46, G/AG/N/CHN/47 "domestic food aid", "decoupled income support" and "regional assistance programme" are mentioned among the measures for which exemption from reduction commitments is claimed.

- c. Could China provide more details on "domestic food aid" including eligibility criteria and prices at which food purchases by the government are made?
- d. Could China please provide more details on eligibility criteria for receiving "decoupled income support"?
- e. Could China please specify criteria to classify a region as disadvantaged one?

AG-IMS ID 90055: Question by United States of America - Transparency issues (including Table DS:2)

From 2016 to present, China implemented a "Deep Processing" subsidy (3 billion RMB in 2016) for corn processors that is provincially managed and administered using central government funds in Northeast China. On 25 February 2017, three provinces in Northeast China announced "Procedures for the Administration of Financial Subsidies for Feed Processing Enterprises in Jilin, Liaoning and Heilongjiang Province". Please explain when and where China will notify this policy.

AG-IMS ID 90051: Question by United States of America - General services: research

In G/AG/N/CHN/42, G/AG/N/CHN/43, G/AG/N/CHN/44, G/AG/N/CHN/45, G/AG/N/CHN/46, and G/AG/N/CHN/47, Supporting Table DS:1, China reports annual government outlays for agriculture research of less than 138 to 223 hundred million RMB per year (\$21-33 billion). Please explain what research activities are included in this calculation.

AG-IMS ID 90052: Question by United States of America - General services: inspection services

Regarding Supporting Table DS:1, Item 2(e), in 2015, China implemented its "Food and Hygiene Law of the People's Republic of China" elaborated in G/SPS/N/CHN/1055, which includes rigorous quarantine and inspection requirements. In G/AG/N/CHN/42, G/AG/N/CHN/43, G/AG/N/CHN/44, G/AG/N/CHN/45, G/AG/N/CHN/46, and G/AG/N/CHN/47, Supporting Table DS:1, China's reported outlays for inspection services from 2011-2016 of 60-94 hundred million RMB (\$10-15 billion) annually. Please explain what these outlays include. For example, do these outlays include diagnostic equipment purchases to implement the "Food and Hygiene Law of the People's Republic of China?"

AG-IMS ID 90112: Question by Japan - General services: other

In the DS:1 notification for the calendar year 2016 (G/AG/N/CHN/47), the expenditure on the other General Services is more than 50% of the expenditure on the General Service. Japan appreciates that China shows some examples of the other general services such as operating expenditure related to buildings, facilities and so on. However, could China give more detailed explanation on what kind of the services China provides and how much China spends on their services?

AG-IMS ID 90058: Question by Russian Federation - General services: other

The category "Other general services" in Green Box (notifications G/AG/N/CHN/42, G/AG/N/CHN/43, G/AG/N/CHN/44, G/AG/N/CHN/45, G/AG/N/CHN/46, G/AG/N/CHN/47) contains "operating expenditures related to buildings, facilities, salaries and expenses of agricultural administrative and service agencies as well as pensions to retired employees of these government agencies". Could China provide more information regarding the building and facilities which are supported under the category "Other general services". Which operating expenditures are covered under this subsidy?

AG-IMS ID 90093: Question by Brazil - Public stockholding for food security purposes

According to notifications G/AG/N/CHN/42- G/AG/N/CHN/47, Supporting tables DS:1, the volume of measures exempt from reduction commitments in the form of public stockholding for food security purposes has surged.

- a. Could China provide data on the amount of support each of the benefited crops received from 2011 to 2016?
 - i. Where applicable, could China elucidate the management mechanism of these stocks, the variation of these stocks since 2011 and their current state?

- b. Could China provide official and updated data on the exports of crops that benefited the most from such programmes?

AG-IMS ID 90113: Question by Japan - Public stockholding for food security purposes

According to the DS:1 notifications from 2011 to 2016, China stockpiles wheat, corn, rice, vegetable oils and sugar for food security. Japan appreciates if China explains the targeted amount and the actual amount of stockpiles by product.

AG-IMS ID 90001: Question by European Union - Direct payments: decoupled income support

China – G/AG/CHN/47 – Decoupled income support

Decoupled income support show increases from CNY 21.7 billion in 2015 to CNY 162 billion in 2016.

- a. Can China please explain more in detail for this increase? If it includes new measures, can China explain in detail the criteria for these new support measures and in particular the eligibility criteria and how these payments are paid out to farmers? Which type of farmers is eligible to this support and are there any regional differentiations for these payments?
- b. Can China explain more in detail the expected future annual expenditure related to this decoupled income support for the years 2017 to 2019?
- c. Does China intend to make a DS:2 notification for these measures as it has done for the Blue Box measures related to cotton and corn in G/AG/N/CHN/48 and G/AG/N/CHN/49 respectively, as foreseen in Article 18?

AG-IMS ID 90114: Question by Japan - Direct payments: decoupled income support

China implements the decoupled income support.

- a. Could China explain in detail what kind of measures China implements?
- b. Article 6 of Annex 2 to the Agreement on Agriculture prescribes eligibility for decoupled income support. For example, the amount of payments shall not be based on the volume of production in any year after the base period. Could China explain in detail if the abovementioned measures meet such eligibility?
- c. Could China explain the reason why China drastically increases the expenditure from 2015 to 2016?

AG-IMS ID 90053: Question by United States of America - Direct payments: payments for relief from natural disasters

Noting the category entitled "payments for relief from natural disasters" in Supporting Table DS:1, please explain how China classifies its agriculture-related crop insurance premium subsidy expenditures in the following notifications: G/AG/N/CHN/42, G/AG/N/CHN/43, G/AG/N/CHN/44, G/AG/N/CHN/45, G/AG/N/CHN/46, and G/AG/N/CHN/47? What was the total value of China's annual premium subsidy payments from 2011 to 2016?

AG-IMS ID 90016: Question by European Union - Direct payments: payments under regional assistance programmes

The European Union notes that China increased the use of certain types of Green Box support dramatically between 2015 and 2016 (G/AG/N/CHN/47). Support in the form of regional assistance programmes increased from 117.857 billion CNY to 220.378 billion CNY (87%). Can China explain more in detail the policy changes behind this substantive increase?

AG-IMS ID 90115: Question by Japan - Direct payments: payments under regional assistance programmes

China implements regional assistance programmes.

- a. Could China explain in detail what kind of programmes China implements?
- b. Article 13 of Annex 2 to the Agreement on Agriculture prescribes eligibility for regional assistance programmes. Could China explain in detail if the abovementioned programmes meet such eligibility?

AG-IMS ID 90122: Question by Australia - Payments based on fixed areas or yields

Australia is seeking further information from China regarding its recently submitted 2016 domestic support notification. China has included corn producer subsidies as a direct payment under production-limiting programmes (Blue Box). Australia seeks further details regarding the application and accessibility for these subsidies.

- a. Were the producer subsidies introduced to eventually replace the Temporary Reserve Programme for corn?
- b. Furthermore, have these producer subsidies been continued into 2017 and 2018?

AG-IMS ID 90062: Question by Russian Federation - Payments based on fixed areas or yields

Notification G/AG/N/CHN/47 includes payments based on fixed area and yields under production-limiting programmes. Could China provide more details on the functioning of such programme for corn?

AG-IMS ID 90076: Question by Australia - Scheduled commitment level

Further to Australia's question at 88th and 89th CoA (AG-IMS ID 88009/ AG-IMS ID 89083), Australia thanks China for submitting domestic support notifications for the period 2011-2016 (G/AG/N/CHN/42 - G/AG/N/CHN/47).

During the 2011-2016 period, China has acknowledged a number of *de minimis* breaches for key agricultural commodities. Could China please indicate what measures it has introduced or reforms it has implemented to ensure it complies with its WTO obligations?

AG-IMS ID 90091: Question by Brazil - Scheduled commitment level

According to notifications G/AG/N/CHN/42-47, Supporting Tables DS:4, support as a % of value of production was above 8,5% for cotton from 2011 to 2016; for corn from 2013 to 2016; for soybeans from 2012 to 2016, except in 2013; and for colza in 2011 and sugar in 2012.

- a. How does China justify such level of domestic support under its WTO commitments?
- b. Could China indicate the evolution of domestic prices of these five crops between 2011 and 2016?

According to notifications G/AG/N/CHN/42-47, every domestic support programme that led China to surpass its *de minimis* level of support, hence breaching its accession commitments, was terminated in or before 2016.

- c. Does "termination" mean that such programmes were not continued under the aegis of the same rule and that similar programs did not replace them? Or does "termination" have a different meaning here? If so, which one?
- d. Could China specify the projected and the real impact (quantities, cultivated area and government outlays) of the termination of said domestic support programmes on the three aforementioned crops?

AG-IMS ID 90096: Question by Canada - Scheduled commitment level

China indicated that product-specific market price support over *de minimis* levels to producers of cotton, corn, rapeseed, soybeans, and sugar was provided through temporary reserve programmes. These were terminated at different stages, as per the footnotes to supporting table DS:5 in the

aforementioned notifications. For example, the temporary reserve programmes for soybeans and cotton were both terminated in 2014, while the temporary reserve programmes for rapeseed and corn were terminated in 2015 and 2016, respectively. In addition, Canada sees that China did not indicate that the temporary reserve programme for wheat was terminated, and understands that China expects it would still be in effect beyond 2016. Canada would appreciate if China could provide further details on these temporary reserve programmes, including those for which support was provided under *de minimis* levels (e.g., wheat):

- a. What circumstances, including market conditions, gave rise to these temporary reserve programmes?
- b. What was the legislative or regulatory basis for those programmes? How were they different, for example, than the minimum procurement price programmes notified by China during the 2011-2016 period for wheat and japonica/indica rice?
- c. How did these programmes operate? Did China purchase the stocks at the applied administered price to resell them at market prices? Was a state-owned enterprise, monopoly or state-trading enterprise involved in the buying and selling of stocks? If so, which ones?
- d. How were applied administered prices determined?
- e. For wheat: i. Can China confirm whether the temporary reserve programme for wheat is still in force? What are the eligibility criteria? Could any producer of those commodities benefit from the administered price?
- f. For terminated programmes:
 - i. What were the eligibility criteria? Could any producer of those commodities benefit from the administered price?
 - ii. Was the termination of these programmes announced publically? If so, when?
- g. While these programmes were 'temporary' and most of them terminated, except for wheat, does China expect it will resort to such programmes in the future? How will China ensure that temporary reserve programmes do not bring its support levels above its bound total aggregate measure of support in the future?

AG-IMS ID 90117: Question by Japan - Scheduled commitment level

According to the DS:1 notification for the calendar year 2016 (G/AG/N/CHN/47), China implemented the support for cotton, soybeans and corn, and the support exceeded the *de minimis* percentage. Could China explain in detail the method and the schedule to reduce the support not to exceed the *de minimis* percentage?

AG-IMS ID 90057: Question by Russian Federation - Scheduled commitment level

The domestic support notifications for the years from 2011 to 2016 reflect Current Total AMS provided in excess of that incorporated in China's Schedule of commitments. What measures does China intend to undertake in order to prevent the possible inconsistency with its obligations under paragraph 2 (b) of Article 7 and paragraph 2 of Article 3 of the Agreement on Agriculture in the future?

AG-IMS ID 90097: Question by Thailand - Scheduled commitment level

From documents G/AG/N/CHN/42 – G/AG/N/CHN/47, China has provided AMS supports exceeded the *de minimis* between 2011 – 2016, but has also indicated that those supports exceeding *de minimis* have been terminated. Please provide details of China's future plans for domestic support spending after these notifications.

AG-IMS ID 90094: Question by Canada - Market price support

Canada appreciates China submitting more recent domestic support notifications to the Committee on Agriculture. Canada notes that China has provided domestic support over its domestic support commitment (i.e., nil) over the years notified in G/AG/N/CHN/42 (2011 – Table DS:1) to G/AG/N/CHN/47 (2016 – Table DS:1). China notified that, during this period, it provided product-specific market price support over *de minimis* levels for cotton, corn, rapeseed, soybeans, and sugar, automatically bringing China over its commitment. China also notified that it had provided market price support for wheat and rice (japonica and indica cultivars) under the 8.5% of the product value of production.

For any product where market price support was notified during the period covered by the above notifications, including cotton, corn, rapeseed, rice, soybeans, sugar and wheat, Canada requests additional information:

- a. Could China clarify whether the quantities notified in column 6 of Supporting Table DS:5 were quantities procured by China at the applied administered price?
- b. For each year in 2011-2016, and for each commodity listed above:
 - i. Could any producer of those commodities qualify to receive the applied administered price? If not, what were the criteria that excluded a producer from such a qualification?
 - ii. For those producers whose production could qualify for the applied administered prices, what quantities did they produce (total in tonnes on an annual basis)?
- c. Was a state-owned enterprise, monopoly or state-trading enterprise involved in the buying and selling of stocks at administered prices? If so, which ones?

AG-IMS ID 90118: Question by Japan - Market price support

China has implemented the Minimum Price Purchase, the Minimum Procurement Price and the Temporary Reserve Programme as Market Price Support.

- a. Could China explain the difference among these three programmes?
- b. Are these three programmes undertaken as a part of public stockholding for food security?

AG-IMS ID 90098: Question by Thailand - Market price support

From Table DS:5 of documents G/AG/N/CHN/42 – 47, China has indicated various "temporary reserve" programmes for various products such as corn, soy bean, cotton, rapeseed, and sugar. Please provide details of temporary reserve programmes and whether they are still used at present and for which products.

AG-IMS ID 90092: Question by Brazil - Market price support: Eligible production

According to notifications G/AG/N/CHN/42-47, Supporting Tables DS:5, column 6, the eligible production entitled to receive the administered price varied greatly even during the term of a single programme. For instance, Temporary Reserve programme for corn was terminated in 2016, but the eligible production was 290.7 ten thousand tonnes in 2011; 321.6 ten thousand tonnes in 2012; 124.6 ten thousand tonnes in 2013; 245.3 ten thousand tonnes in 2014; 46.7 ten thousand tonnes in 2015 and 7,136.2 ten thousand tonnes in 2016.

- a. Could China describe the functioning of the Temporary Reserve programmes for corn, cotton and soybeans?
- b. If applicable, could China provide information on farmer's eligibility, government outlays and the government regulation applicable to those domestic support programmes?
- c. Could China explain the eligible production calculation method it has used for cotton, corn and soybeans?

AG-IMS ID 90095: Question by Canada - Other product-specific AMS/EMS

- a. In G/AG/N/CHN/42 through G/AG/N/CHN/47, China notified product specific support measures that were not market price support measures, including for wheat, rapeseed, soybean and corn. For example, China notified that it provided subsidies for improved crop strains and seeds for all four of those commodities. Could China confirm if there were other programmes that specifically targeted wheat, rapeseed, soybean and corn producers?
- b. In G/AG/N/CHN/45, G/AG/N/CHN/46 and G/AG/N/CHN/47, China notified under Supporting Table DS:6 other non-exempt direct payments for soybean and cotton during the 2014-2016 period, i.e., through the last notified year. Canada notes that these payments were provided through a 'target price' type of measure.
 - i. What circumstances, including market conditions, gave rise to these target price programmes?
 - ii. How were target prices established and what were those target prices? How are these different than an applied administered price?
 - iii. How many producers could apply to receive these target price payments? How much of their production (in tonnes) could have benefitted from these payments?
 - iv. Was a state-owned enterprise, monopoly or state-trading enterprise involved in the buying and selling of stocks? If so, which ones?

AG-IMS ID 90054: Question by United States of America - Other product-specific AMS/EMS

- a. Regarding Supporting Table DS:7 in notification G/AG/N/CHN/47, "subsidies for breeding sows" in China abruptly dropped to 0.73 hundred million RMB in 2016, whereas in notifications G/AG/N/CHN/43, 44, 45, and 46, total expenditure for "subsidies for breeding sows" was significantly greater. Please explain why budgetary outlays for "subsidies for breeding sows" in 2016 are lower than the preceding four notifications for the years 2012 through 2015.
- b. Regarding Supporting Table DS:7 in notification G/AG/N/CHN/47, the United States notes that China has only notified a corn measure for "subsidies for improved crop strains and seeds" for corn in 2016. However, the United States understands China's north eastern provinces reportedly announced a subsidy for purchase of corn by processors for the 2016 crop, which ranged from 100-300 yuan per metric tonne. Please explain why these measures have not been notified.
- c. Regarding Supporting Table DS:7 in notification G/AG/N/CHN/47, while the United States welcomes China submitting domestic support notifications for a number of years, the United States remains concerned with the overall level of transparency provided within these notifications. In particular, the United States is concerned with the lack of notifying of a number of measures that the United States is aware of. For each of the below references, the United States understands that China implements one or more measures that do not appear to have been notified. For each, please provide relevant regulations, legislation, or other official government documentation, and in addition, an explanation as to why each has not been notified.
 - i. Temporary Reserve Program for corn, soybeans, and wheat in Xinjiang province from 2007-2009
 - ii. Payments to major grain, oilseed, and hog marketing counties and other regional programmes. The United States understands these programmes annually determine which counties get payments based on production, area, and/or swine inventory/marketing with funding often earmarked for use to support producers.
 - iii. Support to agricultural product export demonstration bases.

AG-IMS ID 90099: Question by Thailand - Non-product-specific AMS

From Table DS:9 of documents G/AG/N/CHN/42 – 47, China has used "General Subsidies for Agricultural Production Supplies" for non-product-specific AMS and in 2016, China has substantially reduced non-product-specific support. Please deliberate how:

- a. China was able to significantly reduce support for 2016.
- b. Please provide details on "General Subsidies for Agricultural Production Supplies" and how it is provided and administered.

AG-IMS ID 90017: Question by European Union - Non-product-specific AMS

The European Union notes a substantial decrease in Non-Product-Specific support in the form of "general subsidies for agricultural production supplies", from 107.996 billion CNY 2015 to 0.097 billion CNY 2016 (G/AG/N/CHN/47). Can China explain more in detail the policy changes behind this substantive decrease and which types of support that has been eliminated?

AG-IMS ID 90119: Question by Japan - Non-product-specific AMS

According to the DS:1 notification for the calendar year 2016, China implements the general subsidies for agricultural production supplies.

- a. Could China explain in detail on what kind of services China provides?
- b. Why does China decrease the expenditure in 2016 drastically?

2.3.5 Chinese Taipei (G/AG/N/TPKM/173, G/AG/N/TPKM/174, G/AG/N/TPKM/175)**AG-IMS ID 90101: Question by Thailand - Transparency issues (including Table DS:2)**

Under Supporting Table DS:5 of documents G/AG/N/TPKM/173 – 175, Chinese Taipei has indicated the use of "Government Supplement Purchase" "Government Additional Purchase" and "Government Planed Purchase". Please provide details for each measure and indicate the difference between the said measures.

2.3.6 Israel (G/AG/N/ISR/66)**AG-IMS ID 90123: Question by Australia - Scheduled commitment level**

Australia thanks Israel for the inclusion of an explanatory note in its DS:1, outlining to other Members the reason domestic support for milk and eggs exceeded both *de minimis* and Israel's Total Bound AMS in CY2017. While this adds to a worrying trend, whereby a number of Members have reported breaches of their *de minimis* and/or Total AMS limits, Australia does acknowledge that Israel has put in some effort to explain the reason behind the breach and the efforts to ensure it does not see a similar situation occur from 2019 onwards.

- a. Will Israel advise if it is likely to again notify a breach in the milk and egg sector in CY2018?
- b. Furthermore, would Israel advise if negotiations are likely to take an extended period of time, pushing out the aim to implement reforms to ensure a breach does not occur in 2019?

AG-IMS ID 90023: Question by European Union - Scheduled commitment level

The DS:1 notification shows a non-respect of limits for the egg and dairy sector during calendar year 2017. This is not the first time that a notification from Israel show a non-respect of the limits for domestic support in Israel.

Can Israel indicate which steps Israel has taken to change its agricultural support policy to ensure that it fully respect its WTO commitments for AMS?

AG-IMS ID 90102: Question by Russian Federation - Scheduled commitment level

In G/AG/N/ISR/66, Israel notified that it exceeded its Final Bound Total AMS for 2017. Israel noted that additional reform measures are expected to decrease the total AMS back below the commitment level from 2019 on. The situation is similar to what Israel faced in 2011-2014. As Israel noted in G/AG/N/ISR/50 it has an ongoing reform related mainly to domestic support and market access for various agricultural products. The reform would minimize price support and promote the move of Israel's agriculture to more Green Box measures, thus reducing its AMS support. In this context, how Israel will be able to ensure it does not exceed its WTO commitments in 2019?

AG-IMS ID 90103: Question by Ukraine - Scheduled commitment level

Ukraine notes that according to G/AG/N/ISR/66, in Israel's 2017 domestic support the entire AMS of \$612,437,000 is exclusively in favour of egg and milk producers. The current AMS exceeds Israel's Final Bound Total AMS commitment level of 569,980,000 USD. In addition, Israel's level of support in terms of Value of Production for eggs (66%) and milk (53%) is very high.

Ukraine appreciates the explanatory note in G/AG/N/ISR/66, in which Israel delineates the nature of the policy concerned and the steps regarding past and additional reform efforts in the dairy and egg sectors. These reforms are intended to bring Israel's current total AMS within its WTO bound commitment level.

Back in October 2017 (AG-IMS ID 85084) Israel responded that regulatory reform in the egg sector was under negotiation between the Ministry of Agriculture and Rural Development, Ministry of Finance and Israel's Farmers' Federation and Poultry Board due to the same issue of breaching the bound WTO commitment level.

- a. Could Israel please provide more background information on what types of possible structural adjustments are under consideration in the eggs sector?
- b. Could Israel explain whether currency fluctuations have been a factor which caused the breach of its WTO bound commitment level (taking into account that the commitment is in U.S. dollars and not in local currency)?

AG-IMS ID 90067: Question by United States of America - Scheduled commitment level

- a. Regarding Supporting Table 5, the United States welcomes Israel's transparency on the issue of breaching its Total AMS commitment level in 2017. Israel has cited the ongoing reforms taking place in the egg and dairy sectors since April 2016, when Israel notified breaches of its Total AMS commitment levels for 2011, 2012, 2013, and 2014 (G/AG/N/ISR/55). The United States remains concerned and asks Israel to provide:
 - i. An update on reforms in the egg and dairy sectors that have taken place since notifying in December 2018.
 - ii. Why Israel believes that these ongoing policy changes will ensure Israel is consistent with its Total AMS commitments, given that population growth was cited as the reason for breaching its commitment levels for 2017.
 - iii. A timeframe for when Israel's Current Total AMS is expected to fall below the Total AMS commitment again.

AG-IMS ID 90066: Question by United States of America - Market price support

It is noted that Israel adjusted its applied administered price for milk, as explained in the explanatory notes which notes the quality differences between the two stated time periods. It is noted that Israel provided in response to AG-IMS ID 85023 the unadjusted rates for 2015-2016. However, the US is unable to replicate the quality improvement data provided in the response and are therefore unable to determine whether the unadjusted rates for 2017 would leave Israel in breach of its Total AMS commitments.

- a. Please provide the adjustment factor used to report the modified applied administered price in 2017.

- b. Please further elaborate on how the exact price adjustment factors were determined, as it is unclear from the response provided to AG-IMS ID 85023.
- c. What is the reason Israel did not provide this adjustment factor in its notification?

AG-IMS ID 90065: Question by United States of America - Other product-specific AMS/EMS

Regarding Supporting Table 6, the United States notes a nearly 600% increase in expenditures for the 'investment programme' for poultry from 2016. Please explain the reason for this increase.

2.3.7 Malaysia (G/AG/N/MYS/43, G/AG/N/MYS/44, G/AG/N/MYS/45)

AG-IMS ID 90124: Question by Australia - Transparency issues (including Table DS:2)

Australia thanks Malaysia for the effort to submit a number of outstanding Domestic Support notifications, for 2012, 2013 and 2014. The submission of these notifications is an important demonstration of Malaysia's commitment to transparency and to the provision of responses to questions regarding the concerns of other Members on long-overdue notifications.

- a. Could Malaysia please inform Members when they expect to submit domestic support notifications from 2015 onwards?
- b. Australia notes Malaysia's 'Paddy Price Subsidy', which is in all three notifications (2012, 2013, 2014), and requests Malaysia provide further information regarding the subsidy available to each producer and the eligibility requirements to receive the subsidy?

AG-IMS ID 90104: Question by Canada - Direct payments: decoupled income support

Canada notes that the description and information provided for the Paddy Price Subsidy for rice does not clearly indicate how this "subsidy" meets the criteria of Paragraph 6, Annex for decoupled income support.

- a. Could Malaysia provide information on the defined and fixed base period used to determine the direct payment?
- b. How is the size of the payment determined?
- c. How many rice producers subscribe to the Paddy Price Subsidy?

2.3.8 Norway (G/AG/N/NOR/101)

AG-IMS ID 90107: Question by Canada - Payments based on 85 per cent or less of the base level of production

Canada notes that, at the 86th Regular session of the Committee on Agriculture (February 2018), Ukraine asked Norway about Norway's "Quality Incentive Support Programme for Beef", a Blue Box measure notified in 2015, and the 40% increase over 2014-2016 (from 135.9 million NOK in 2014 to 191.5 million NOK in 2016) in Blue Box support. Norway explained that the increase in support from 2014 to 2016 was due to the fact that support was only provided for 10 months in the first year, rather than 12 months, even though a two-month gap only represents 16.7% of a year.

In Norway's most recent DS:1 notification (G/AG/N/NOR/101), Norway notified another substantial increase in the amount of blue box support provided through this programme to beef producers, from 191.5 million NOK in 2016 to 260.6 million NOK in 2017 (i.e., approx. 36% in one year). Considering the first year of the programme, support has almost doubled over the course of 4 years (from 135.9 million NOK in 2014 to 260.6 million NOK in 2017).

- a. Could Norway expand on the circumstances that led to this sharp increase over one year?
- b. How does this relate to the production-limiting nature of this beef support programme, given the fixed base level for the eligible quantity of beef? Have payments increased? If so, by how much, and why?

2.3.9 Turkey (G/AG/N/TUR/17, G/AG/N/TUR/18, G/AG/N/TUR/19, G/AG/N/TUR/20, G/AG/N/TUR/21)

AG-IMS ID 90125: Question by Australia - Transparency issues (including Table DS:2)

Australia thanks Turkey for the effort to submit a number of outstanding Domestic Support notifications – for 2005, 2006, 2007, 2008 and 2009 (G/AG/N/TUR/17 - G/AG/N/TUR/21). The submission of these notifications is an important demonstration of Turkey's commitment to transparency and to the provision of responses regarding the concerns of other Members on long-overdue notifications.

Could Turkey provide an update on preparations to submit domestic support notifications for 2010 and onwards?

AG-IMS ID 90025: Question by European Union - Investment subsidies generally available to agriculture

Supporting Table 2 (G/AG/N/TUR/21):

- a. Can Turkey explain more in the functioning and eligibility criteria of the investment in the framework of the development of animal husbandry scheme?
- b. Can Turkey indicate the budgetary outlay for this scheme in 2009?

AG-IMS ID 90126: Question by Australia - Scheduled commitment level

Australia notes that in Turkey's recently submitted notifications, it has reported Current Total AMS of approximately (USD) \$1.5 million in 2005; \$1.7 million in 2006; \$490.5 million in 2007; \$2.3 million in 2008; and \$2.6 million in 2009. Furthermore, as Turkey has noted in these notifications, it does not have Final Bound Total AMS in its schedule. Having considered these, can Turkey respond to the following questions:

- a. With regards to the *de minimis* 'breach' for Soybeans in each year (amounting to 11% of VoP in 2005 and 2006, 46% of VoP in 2007 and 14% of VoP in 2008 and 2009), can Turkey explain what measures it has introduced or what reforms it has implemented to avoid what seems to be a systematic breach of *de minimis* for Soybean support?
- b. In addition, does Turkey expect its DS notifications for 2010 and onwards to have similar, systematic breaches for soybeans?
- c. With regards to the *de minimis* 'breach' for Rapeseed in 2005 (amounting to 49% of VoP), can Turkey please explain what measures it has introduced or what reforms it has implemented to avoid a breach of *de minimis* for Rapeseed support in 2009 and onwards?
- d. With regards to the *de minimis* 'breach' for cotton in 2007 (amounting to 15% of VoP), can Turkey please explain what measures it has introduced or what reforms it has implemented to avoid what in monetary terms is quite a significant breach?

AG-IMS ID 90110: Question by Canada - Scheduled commitment level

Canada appreciates Turkey providing more recent domestic support notifications to this Committee which brings Turkey up to 2009. Canada encourages Turkey to continue its work to submit its domestic support notifications. Canada is concerned that Turkey has exceeded its domestic support commitment levels (i.e., nil) for all the years notified (2005-2009), due to product-specific support being provided over *de minimis* levels. With the exception of 2007, where product-specific support for cotton brought current total aggregate measurement of support (CTAMS) to \$490.5 million (of which \$5.6 million went to soybean producers), the amount of CTAMS increased from \$1.5 million in 2005 to \$2.6 million in 2009, mainly to soybean producers. Turkey also notified support to rapeseed producers in 2005 over *de minimis* levels (\$247,729). Furthermore, the current situation of Turkey's domestic support measures as well as their compliance with the obligations contained in the Agreement on Agriculture remains hard to assess, given that the last year notified refers to programmes that were in force almost a decade ago.

- a. What concrete, meaningful steps has Turkey taken to ensure that it complies with its WTO domestic support commitment?
- b. What is the current situation of Turkey's domestic support measures? Are support levels in excess of Turkey's commitments? If not, when does Turkey expect to conform to the obligations contained in the Agreement on Agriculture?
- c. When will Turkey provide more up-to-date domestic support notifications, so that other Members may be able to understand how Turkey's current domestic support policies function, as well as their potential impacts on trade or production?

AG-IMS ID 90106: Question by Russian Federation - Scheduled commitment level

When some Members asked about breach of domestic support commitments in 2003 and 2004 Turkey reported in response to AG-IMS ID 85044 and AG-IMS ID 85062 that Turkey noted "its importer position with high amounts (for rapeseed) and therefore the level of domestic support has no trade distorting effect." In fact, Turkey exceeded the *de minimis* level for rapeseed in 2004 so Turkey breached or exceeded its domestic support commitments. Moreover, Turkey did not mention exceeding *de minimis* level for the soybeans in 2003 and 2004. According to the information of DS:1 notifications for 2005-2009 Turkey continues to breach its domestic support commitments exceeding its *de minimis* levels for soybeans and rapeseed, as well as for cotton in 2007. Which measures has Turkey taken to ensure that it respects its domestic support commitments for the following years?

AG-IMS ID 90108: Question by Thailand - Scheduled commitment level

Turkey does not have bound AMS commitment but has provided AMS supports exceeded the *de minimis* level during 2005-2009. Please clarify regarding the consistency with Turkey's obligations under the WTO. Please provide details on how Turkey plans to reduce/eliminate domestic support spending that exceed *de minimis* level.

AG-IMS ID 90064: Question by United States of America - Market price support

The United States thanks Turkey for submitting domestic support notifications for 2005-2009. The United States notes the continued elimination of market price supports in Turkey's most recent notifications. In response to AG-IMS 85031, the US was referred to Turkey's replies to its last Trade Policy Review (TPR) for additional information on the state-owned Turkish Grain Board (TMO) in regard to its role in the applied administered prices for certain commodities. In reviewing the latest Secretariat Report of Turkey's TPR of 2016 (WT/TPR/S/331/Rev.1), the report defines TMO as a state-owned enterprise with 100% public ownership. In response to question 37 of the TPR (WT/TPR/S/331, page 136, paragraph 4.37), Turkey states "Turkish Grain Board (TMO) is a fully autonomous entity and operates on the grounds of profitability." In response to EU question No. 44, Turkey states that "[p]urchasing prices announced by the TMO are not administered but market-based prices. Thus, Turkey does not include TMOs purchasing prices in the calculation of its domestic supports."

- a. Please clarify how the board maintains full autonomy while being a state-owned enterprise with 100% public ownership.
- b. Please explain how TMO's announcement and implementation of market-based prices for commodities does not qualify it as providing market price support when it is a 100 percent state-owned enterprise.

AG-IMS ID 90109: Question by Thailand - Non-product-specific AMS

Please provide details for non-product specific AMS programmes such as the Hybrid seed programme.

AG-IMS ID 90015: Question by European Union - Other product-specific AMS/EMS

Cotton support - Supporting Table DS:6 - G/AG/N/TUR/21:

- a. Can Turkey explain more in detail the support measures in place for cotton in 2009 regarding the functioning of the support measures and the eligibility criteria for this support.
- b. Can Turkey indicate the quantity of cotton supported in 2009 as well as total production of cotton in 2009?

AG-IMS ID 90024: Question by European Union - Other product-specific AMS/EMS

Wheat Support - Supporting Table DS:6 - G/AG/N/TUR/21:

- a. Can Turkey explain more in detail the support measures in place for wheat in 2009, about the functioning of the support measure and the eligibility criteria for this support?
- b. Can Turkey indicate the quantity of wheat supported in 2009 as well as total production of wheat in the year 2009?

2.4 New or modified Domestic Support measures (DS:2)

2.4.1 China (G/AG/N/CHN/48, G/AG/N/CHN/49)

AG-IMS ID 90070: Question by Brazil - Transparency issues (including Table DS:2)

According to notification G/AG/N/CHN/49, since 2016, a "Blue Box" domestic support program for corn is in place for production in Northeast China.

- a. Could China provide information on the corn production (quantities, cultivated area and fixed yield) from 2011 to 2018, in the target region of the programme?
- b. Could China identify how the "Corn producer subsidy" limits China's corn production in Northeast China under the requirements of Article 6.5 of the Agreement on Agriculture?

AG-IMS ID 90069: Question by Brazil - Transparency issues (including Table DS:2)

According to notification G/AG/N/CHN/48, from 2017 to 2019, a measure aimed at limiting cotton production is in place, taking the 2012-2014 triennium as base period.

- a. Could China provide information on the cotton production (quantities and cultivated area) from 2011 to 2018?
- b. Could China identify how the "Deepening the Target Price Policy Reform of Cotton" limits China's cotton production under the requirements of article 6.5 of the Agreement on Agriculture?
- c. If possible, could China also explain the entitlement requirements for the support programme and how limitation of production is assessed?

AG-IMS ID 90086: Question by Canada - Transparency issues (including Table DS:2)

Canada notes that in G/AG/N/CHN/49 China notified a new domestic support programme for corn. According to China, this new programme meets the criteria of Article 6, paragraph 5 of the Agreement on Agriculture. Canada would be grateful if China could provide further details on the "Corn Producer Subsidy System".

- a. What is the objective of this programme?
- b. How does this programme compare to previous market price support programmes for corn, including the one managed through temporary reserves from 2011-2016?
- c. How does this programme operate? Is a state-owned enterprise, monopoly or state-trading enterprise involved in the buying and selling of stock at the target price?

- d. How is eligibility determined? Are producers from Northeast China exclusively eligible for this programme? If not, why were planting area and fixed yield data in Northeast China used?
- e. Is there a requirement to be a corn producer during the period of application (2016-2018)?
- f. How are the payments determined year-on-year? How was the adjusted payment rate established?
- g. How was the 2014 base period determined? How does this relate to the period of application of the programme, which was set to begin in 2016?
- h. As the programme ended in 2018, has this programme been replaced, or will it be replaced by another programme that would use a more recent base period?

AG-IMS ID 90085: Question by Canada - Transparency issues (including Table DS:2)

Canada notes that, in G/AG/N/CHN/48 China notified a new domestic support programme for cotton. According to China, this new programme meets the criteria of Article 6, paragraph 5 of the Agreement on Agriculture. Canada would be grateful if China could provide further details on the "Deepening the Target Price Policy reform of Cotton":

- a. What is the objective of this programme?
- b. How does this programme compare to previous market price support programmes for cotton, including the one managed through temporary reserves from 2011-2014 and the target price programme from 2015-2016?
- c. How was the target price of 18,600/tonne determined? How does this price relate to the programme notified as 'target price' for cotton under Supporting Table DS:6 of G/AG/N/CHN/45, G/AG/N/CHN/46 and G/AG/N/CHN/47?
- d. How does China ensure that only 85% of the average production of cotton in the base period is eligible to receive a payment? Is the payment automatically granted to a producer?
- e. How was the 2012-2014 base period determined? How does this relate to the period of application of the programme, which is set to begin in 2017?
- f. As the programme is set to end in 2019, does China expect this programme to be replaced by another programme that would use a more recent base period?

AG-IMS ID 90116: Question by Japan - Transparency issues (including Table DS:2)

China notified DS:2 notifications for corn and cotton measures (G/AG/N/CHN/48 and 49). Japan understands that China formulates production-limiting programmes for these products. How does China limit the production based on the programmes?

- a. Regarding the corn measure, the notification says "payments are paid on a fixed area and yields. The subsidy amount is calculated according to the 2014 (base period) corn planting area and fixed yield data in Northeast China". Does this measure subsidize only farmers in Northeast China? In addition, could China explain in detail on the method to decide "the adjusted payment rate"? Furthermore, how does China estimate the market effect brought by this measure?
- b. Regarding the cotton measure, the notification says, "subsidy is made only to the amount of cotton within 85% of the average cotton production in the base period (2012-2014)". Could China explain the reason why China sets such a term as the base period? In addition, Japan appreciates if China tell the average cotton production in the base period.

AG-IMS ID 90100: Question by Thailand - Transparency issues (including Table DS:2)

China has notified a new measure of domestic support, which is Deepening the Target Price reform price of Cotton (G/AG/N/CHN/48). China indicated that "According to Article 6, paragraph 5 (b) of the Agreement on Agriculture, to limit production. The subsidy is based on the difference between the market price and the target price. The subsidy is made only to the amount of cotton within 85% of the average cotton production with period of application between 2017 - 2019. Please provide further details regarding the "Deepening the Target Price reform price of Cotton" programme.

AG-IMS ID 90075: Question by United States of America - Transparency issues (including Table DS:2)

- a. In the "Notice on Deepening Cotton Target Price Reform" (NDRC JIA [2017] No. 416) published by the Ministry of Finance and National Development and Reform Commission, it states that the measure relates to the target price reform of cotton in Xinjiang.

Please confirm whether cotton production in other parts of China are eligible to receive the benefits of this measure.

- b. In G/AG/N/CHN/48, China states the "subsidy is made only to the amount of cotton within 85% of the average cotton production in the base period (2012-2014)". However, it is the U.S. understanding in reading the "Notice on Deepening Cotton Target Price Reform" that the base period production is based on all cotton production in China rather than the production only within Xinjiang where the target price is in effect. As a result, a larger percentage of Xinjiang cotton may be eligible to receive payment under the measure without hitting the limits specified in Article 6.5 of the Agreement on Agriculture.
 - i. Please confirm how the base period average cotton production is determined, including whether the base period production is limited only to the production relevant to the target price policy reform.
 - ii. Please provide the volume of cotton production for both Xinjiang and for China nationally for each year since 2012, including in 2017.
- c. It is also noted that the "Notice on Deepening Cotton Target Price Reform" also notes, in addition to the cotton target price subsidy, "the central government's subsidy for the Xinjiang Uygur Autonomous Region and the Xinjiang Production and Construction Corps are still implemented in accordance with existing regulations."
 - i. Please provide the referenced regulations.
 - ii. Please indicate if and how these measures are notified in notifications G/AG/N/CHN/42-47. If not, please explain the basis for this.
 - iii. Please identify volume of cotton produced and area planted to cotton by the Xinjiang Production and Construction Corps for each year since 2012.
- d. While the measure notified by China in G/AG/N/CHN/49 refers only to a subsidy programme in Xinjiang, the United States notes no similar programmes have been referenced either in this notification or in notifications G/AG/N/CHN/42-47 with regard to target price subsidies that are implemented in other provinces.

Please confirm whether such measures were implemented in other provinces and, if so, why they have not been notified.

- e. According to G/AG/N/CHN/49, it is stated that the payments for the corn producer subsidy "are paid on a fixed area and yields," while the "subsidy amount is calculated according to the 2014 (base period) corn planting area and fixed yield data in Northeast China." However, the United States understands from the "Implementation Opinions of the Ministry of Finance on Establishing a Maize Producer Subsidy System" (Cai Jain [2016] No. 869) that many aspects of how the payment is determined for corn producers is the

responsibility of provinces (districts), including determining the "sub-provincial subsidy standards, which allow for difference for the central financial subsidies."

- i. Please explain what steps are taken to ensure sub-provincial standards comply with the rules set out in Article 6.5 of the Agreement on Agriculture.
- ii. Please provide specific examples, including relevant provincial or sub-provincial legislation, regulations, or official notices where sub-provincial standards differ from the central financial subsidies.

2.5 Export Subsidy notifications (Tables ES:1, ES:2 and ES:3)

2.5.1 Israel (G/AG/N/ISR/67)

AG-IMS ID 90127: Question by Australia - Transparency issues

In G/AG/N/ISR/67, Israel notified export subsidies for fruits (other than citrus fruits), and fresh vegetables. Noting the Nairobi Decision, under which Members agreed to not raise their export subsidies beyond the average level of the past five years on a product basis, can Israel provide Members with information on:

Why its exports subsidies for fruits other than citrus fruits in 2017 were around 65% higher than the average level of the past five years for that specific product?

2.5.2 Japan (G/AG/N/JPN/230, G/AG/N/JPN/231, G/AG/N/JPN/232, G/AG/N/JPN/233)

AG-IMS ID 90012: Question by European Union - International food aid

Japan notifies food aid in fully grant form.

- a. Could Japan specify if these in-kind amounts have been provided under emergency or non-emergency programmes?

Japan started to provide sorghum/millet as food aid in 2015.

- b. Could Japan provide the reasons for this?

The amount of oil food aid increased substantially in 2015 going from 2,364 tonnes in 2014 to 967,773 tonnes in 2015.

- c. Could Japan please provide details on this significant increase in oil food aid?
- d. Has this aid been provided under emergency or non-emergency programmes?

AG-IMS ID 90105: Question by Thailand - International food aid

In Table ES:3 of documents G/AG/N/JPN/230 – G/AG/N/JPN/233, regarding the Notification of the total volume of food aid, Japan indicated providing food aid between 2013 – 2017 for maize, wheat, wheat flour, processed food, pulses and rice. Thailand notes that these food aids exceed Japan's commercial exports during the same period. Please provide the quantity and destination of the food aid provided in rice.

2.6 NOTIFICATIONS IN THE CONTEXT OF THE NFIDC DECISION (TABLE NF:1)

2.6.1 Australia (G/AG/N/AUS/119)

AG-IMS ID 90079: Question by United States of America - Quantity and concessionality of food aid

Australia provided AUD 377 million in 2017/18 for overseas aid programmes through various channels, including multilateral, regional and bilateral channels, humanitarian/emergency

assistance, non-government organizations (NGOs), ACIAR, and other government departments (OGDs). What are the criteria for overseas aid programmes to receive food assistance grants?

3 DEFERRED REPLIES TO QUESTIONS ON NOTIFICATIONS

3.1 Imports under tariff and other quota commitments (Table MA:2)

3.1.1 Ecuador (G/AG/N/ECU/46)

AG-IMS ID 90047: Question by United States of America - Transparency issues (including Table DS:2)

Ecuador has not yet responded to the questions posed by the United States in AG-IMS ID 89034. The United States resubmits the questions:

- a. Ecuador registers no imports coming under TRQ commitments. The United States is the holder of first-negotiator rights for these quotas. Please explain how do Ecuador's TRQ in-quota tariff rates compare to the MFN current applied rates to these products that would otherwise be eligible under Ecuador's TRQs?
- b. Please explain why Ecuador has not opened or allocated quotas to interested parties.
- c. The United States also notes that Ecuador's import permit system is complex and obscure, and therefore, difficult for exporters to comply with. Please explain your process for issuing import licenses for foods. Please describe the specific steps, including those relating to sanitary and phytosanitary requirements, necessary to obtain an import license. Please explain if the process varies depending on the product. That is, are there additional steps required for some products and not others? If so, please explain.

3.2 Domestic Support commitments (Table DS:1)

3.2.1 Ecuador (G/AG/N/ECU/47, G/AG/N/ECU/48, G/AG/N/ECU/49)

AG-IMS ID 90063: Question by United States of America - Transparency issues (including Table DS:2)

The United States resubmits AG-IMS ID 89036, for which Ecuador has not yet provided a written response:

- a. The United States thanks Ecuador for its most recent Table DS:1 and DS:2 notifications and the notification of several Green Box measures. However, the United States understands that Ecuador's Ministry of Agriculture, Livestock, Aquaculture and Fisheries, according to its website, subsidized a share of the cost of inputs, such as urea and potassium fertilizer, seeds, and other supplies for farmers of several commodities including corn and rice. Since 2014, preferential attention has been paid to bananas and pasture crops for livestock. However, beneficiaries also include sugar cane, cocoa, cereals, vegetables, potatoes, and other commodities. Farmers receive preferential prices, below cost, for inputs.
 - i. Please provide additional details with regard to how the input subsidies measure was implemented and the time period under which the subsidy was available to producers.
 - ii. Are these input subsidies notified in Ecuador's current domestic support notifications?
 - iii. If so, please explain how they reportedly meet the green box criteria under which they are notified.
 - iv. If not, please explain the basis for not notifying them, including whether Ecuador will notify these measures for past years.

- b.
 - i. According to the Ministry's website, input packages or "kits" purchased by producers also included agricultural insurance covering losses.
 - ii. Please provide additional details with regard to how the agricultural insurance programme was implemented, including what losses are covered and what years the measure was available.
 - iii. Was the insurance included in these kits the same as the support notified for 2011 in G/AG/N/ECU/11?
- c.
 - i. The United States notes that, in 2015, it was reported that a diesel subsidy provided by the government had been eliminated, which resulted in higher diesel cost for producers.
 - ii. Please confirm that this diesel subsidy was eliminated and clarify whether Ecuador has notified this measure – and if not, the basis for not notifying.

3.3 Export Subsidy notifications (Tables ES:1, ES:2 and ES:3)

3.3.1 Panama (G/AG/N/PAN/44)

AG-IMS ID 90078: Question by United States of America - Special and differential treatment (Article 9.4)

As a follow up to AG-IMS ID 89043 and AG-IMS ID 88115, the United States would like to reiterate the following question, for which Panama has not provided a written answer:

The United States notes that in G/AG/N/PAN/44 Panama notifies that no export subsidies were provided from 2004 through 2017. However, the measure Certificados de Fomento a la Agroexportación (CEFA), in accordance to Panamanian law (Annex 1 law No. 82 31 December 2009), was started in calendar year 2010, and provides agricultural producers with an export subsidy for marketing costs incurred in concepts of handling, packaging and inland and ocean freight costs.

Please explain the basis for not notifying this measure in Supporting Table ES:2.

4 OVERDUE NOTIFICATIONS

4.1 China

AG-IMS ID 90080: Question by United States of America

As a follow up to AG-IMS ID 88082, the United States would like to reiterate the following question, for which China has not provided a written answer:

- a. The United States notes that China has never notified Table ES:3 (showing the total volume of food aid provided).

According to press reports, China in prior years, provided bilateral in-kind food aid – in particular, rice and wheat, among other commodities - in response to emergency appeals. In addition, China has reported food aid donations in its Export Competition Questionnaire and in response to questions from the United States in AG IMS ID 87048.

- b. Does China plan to submit a Table ES:3 for all relevant years? If not, please explain why not.

4.2 Egypt

AG-IMS ID 90081: Question by United States of America

Egypt has not provided a written response to the questions posed by the United States in AG-IMS ID 88083. Thus, the United States repeats them here:

The United States notes that Egypt's last notification (G/AG/N/EGY/2) concerning export subsidy commitments (Table ES:1) is for the year 1998 and has not yet responded to the export competition questionnaire.

Please provide all overdue Table ES:1 notifications, including Supporting Table ES:2, and respond to the export competition questionnaire.

4.3 Republic of Korea

AG-IMS ID 90060: Question by Australia

Further to Australia's questions (AG-IMS ID 88008, AG-IMS ID 89084) at 88th and 89th CoA, Australia notes the Republic of Korea's latest domestic support notification (G/AG/N/KOR/53) covers the reporting period 2009-2011.

- a. Can the Republic of Korea please update Members on its efforts to compile data to submit domestic support notifications from 2012 onwards?
- b. Will the Republic of Korea be in a position to submit these notifications at the next Committee meeting (91th CoA)?

4.4 Turkey

AG-IMS ID 90011: Question by European Union

Turkey's Domestic Support and ES:1 and ES:2 notifications:

The EU appreciates the effort made by Turkey with its latest forwarded notifications. However, these are still covering the period more than 10 years ago. Can Turkey indicate any timeframe for when the missing notifications will be forwarded to the WTO?

5 OTHER

5.1 India

AG-IMS ID 90082: Question by United States of America

As a follow up to AG-IMS ID 89045, India stated that the Interest Equalization Scheme on Pre and Post Shipment Rupee Export Credit for eligible exporters of agricultural products is "in the nature of working capital support".

- a. Please explain the basis for considering the Scheme a working capital support program, including providing specific language from relevant official government document that supports this claim.

It is the United States' understanding the Interest Equalization Scheme is an interest rate support programme. The Interest Equalization Scheme directly provides a 3% rebate in the rate of interest on export credits, which incentives and is contingent upon export.

- b. Please provide the total value of export of agricultural products by HS code covered by the Interest Equalization program from 2015 to 2018.

5.2 Thailand

AG-IMS ID 90083: Question by United States of America

As a follow up to AG-IMS ID 88094:

The United States understands Thailand to be expressing its view that the export financing support programmes administered by the Export-Import Bank of Thailand are consistent with the Nairobi Decision. The United States does not consider Thailand's statement of this position to be a substitute for the provision of information about such programs in response to questionnaires.

The United States requests Thailand provide information on programs operated by the Export-Import Bank of Thailand for years 2016, 2017, and 2018 in a response to the WTO Secretariat's annual export competition questionnaire.

5.3 Turkey

AG-IMS ID 90084: Question by United States of America

As a follow up to AG-IMS ID 89046 and AG-IMS ID 88116, the United States would like to reiterate the following question, for which Turkey has not provided a written answer:

In the export competition questionnaire, Turkey reported having provided food aid. What is the basis for not reporting this food aid in Table ES:3?
