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(21-6704)

Committee on Agriculture

POINTS RAISED BY MEMBERS UNDER THE REVIEW PROCESS

COMPILATION OF QUESTIONS FOR THE MEETING ON 23-24 SEPTEMBER 2021¹

The present document compiles questions received by the Secretariat by the deadline of noon on 6 September 2021 as specified in WTO/AIR/AG/53.

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

NEW SPECIFIC IMPLEMENTATION MATTERS (SIM)

1.1 Argentina – Currency of domestic support notification and inflation (SIM 711)

1.1.1 Question by Canada (AG-IMS ID 99097)

Canada would appreciate more precisions in regard to the answer provided by Argentina on question AG-IMS ID 98111. Documents G/AG/N/ARG/4 and G/MA/TAR/RS/52 noted in Argentina's answer do provide indirect information on how Argentina requested WTO Members to rectify its commitments to take into account "excessive inflation", but does not provide a clear explanation of the methodology used by Argentina to transfer its support level from 2016 pesos to 1992 pesos.

In document G/AG/N/ARG/4 and G/MA/TAR/RS/52, Argentina explained that: "Excessive inflation" was calculated as the difference between the inflation rates in the United States and Argentina during this period, based on the movement of the wholesale price index and the exchange rate in force in our country (1 peso equals 1 US dollar).

- a. Could Argentina clarify if the domestic support amounts reported in Argentina's 2016 DS:1 notification were adjusted for excessive inflation in order for them to be converted from 2016 pesos to 1992 pesos? If yes, please describe in detail the methodology used to adjust the amount for excessive inflation.
- b. Could Argentina provide the exact conversion factor that would allow Members to convert Argentina's domestic support amounts expressed in 1992 pesos back into 2016 pesos?
- c. Could Argentina provide its official USD to pesos exchange rate number for the period covered by notification year 2016?

1.2 China's one-off subsidy to farmers (SIM 712)

1.2.1 Question by Australia (AG-IMS ID 99100)

Australia notes media in mid-June 2021 reported that China is providing a one-off subsidy to farmers, worth 20 billion yuan or USD 3.1 billion, to assist with rising costs of production materials. Australia requests China provides the following details in relation to this 'one-off subsidy':

- a. What are the eligibility criteria for this subsidy?
- b. What 'production materials' is the subsidy seeking to cover rising costs for?
- c. Australia notes the subsidy is being reported as 'aimed at ensuring farmers' willingness to produce grains', therefore could China please detail which grains (and other agricultural products) are eligible for the subsidy?
- d. Will China be notifying this subsidy in its relevant Domestic Support notification? If so, when does China anticipate submitting this notification?
- e. Reporting cites that 'measures will also be taken to better regulate the agricultural supplies market'; could China please provide detail on what measures it may be considering?
- f. Is this subsidy linked to the reported five other types of subsidies (covering the purchase of farm machine; agricultural insurance; arable land protection; ploughing; and support to corn, soybean and maize production), which are to be provided by the Ministry of Finance? Could China please provide details on these other five subsidies, such as what the total amounts will be?

1.3 China's fertilizer and diesel subsidies (SIM 713)

1.3.1 Question by European Union (AG-IMS ID 99001)

According to press reports China has introduced subsidies to its farmers to compensate for increases in fertilisers and diesel prices.

https://www.nasdaq.com/articles/china-to-give-farmers-%243.1-bln-in-subsidies-amid-risingcosts-2021-06-18

Can China explain more in detail about how these schemes operate, including:

- budgetary outlays (separately for fertilisers and diesel as well State and Regions);
- to whom will the subsidies be paid out;
- the eligibility criteria for the potential beneficiaries of the schemes; and
- the timeframe under which they will be applicable.

1.4 Turkey's export restriction on pasta (SIM 714)

1.4.1 Question by Japan (AG-IMS ID 99108)

a.

- i. Japan recognizes that Turkey introduced export restriction on pasta on 17 December 2020, but finds that the required notification to the Committee on Agriculture has not been made in accordance with Article 12 of the Agreement on Agriculture. Furthermore, it has been reported that Turkey imposed a restriction on pasta from 3 September 2021 again. Could Turkey provide the reason behind the lack of notification?
- ii. Could Turkey explain how it has given due consideration to the effects of the measure on importing Members' food security, as required in Article 12 of the Agreement on Agriculture?

b.

- i. Could Turkey explain how the measure meets the conditions required in Article XI of General Agreement on Tariffs and Trade (GATT): namely i) essentiality of the products, ii) criticalness of the shortages, and iii) temporality of the measure?
- ii. Could Turkey also please explain (1) domestic supply and demand of durum wheat, price transition (2) percentage of pasta exports to total domestic demand, (3) relationship between them and export restrictions with statistical data. We would appreciate the explanation of these data and their evaluation by the Turkish Government, as it has been reported (<u>https://tekdeeps.com/domestic-wheat-usage-barrier-stops-export-of-high-quality-pasta/</u>) that some industrial people are of the view that the restriction is not necessary.
- iii. The last measure from 17 December 2020 lasted 4 months. Could Turkey please provide the date when the export restrictions imposed from 3 September 2021 will expire?

1.5 U.S. planned investment in purchasing healthy food and building food bank capacity (SIM 715)

1.5.1 Question by India (AG-IMS ID 99017)

With respect to the USDA's plan to invest \$1 Billion to "Purchase Healthy Food for Food Insecure Americans and Build Food Bank Capacity", under which, the fund will be disbursed into three categories:

- i. \$500 Million to Support Emergency Food Assistance;
- ii. up to \$400 Million to Support Local, Regional, and Socially Disadvantaged Farmers;
- iii. up to \$100 Million in Infrastructure Grants to Build Capacity for Food Banks and Expand Reach into Underserved Areas.

Could the United States clarify the following:

- a. At what price would the USDA purchase the food products?
- b. What food products will be covered under the programme?
- c. How does this programme/scheme comply with AoA, and under which provisions?

1.6 U.S. Agricultural Marketing Service programme (SIM 716)

1.6.1 Question by India (AG-IMS ID 99018)

"Agricultural Marketing Service's (AMS) mission is to create domestic and international marketing opportunities for U.S. producers of food, fibre, and speciality crops."

- a. How would the United States implement this programme?
- b. What crops would be covered under this mission?
- c. What specific measures are envisaged?

SPECIFIC IMPLEMENTATION MATTERS (SIM) RAISED PREVIOUSLY

1.7 Argentina's export restrictions on beef (SIM 710)

1.7.1 Question by Canada (AG-IMS ID 99094)

On 20 May 2021, the Government of Argentina imposed a 30-day prohibition on beef exports. This was followed by restrictions on the export of beef, limiting exports for the remainder of 2021 to 50% of the average monthly volumes exported from July to December 2020.

- a. Could Argentina please explain how these export controls are consistent with its stated goal to rectify trade practices that distort agricultural trade?
- b. When will Argentina submit a notification under Article 12 of the Agreement on Agriculture on these measures?

1.7.2 Question by Japan (AG-IMS ID 99096)

- a.
- i. Japan recognizes that Argentina introduced export ban for 30-day on beef from 20 May. Furthermore, it has been reported (<u>https://www.boletinoficial.gob.ar/detalleAviso/primera/245930/20210623</u>) that Argentina have imposed ban on some types of beef and a quota on some other beef types from 18 June 2021 to 31 December 2021. However, the required notification to the Committee on Agriculture has not been made in accordance with Article 12 of the Agreement on Agriculture. Could Argentina please provide the reason behind it and make a notification on this measure in near future?
- ii. Could Argentina explain how it has given due consideration to the effects of the measure on importing Members' food security, as required in Article 12 of the Agreement on Agriculture?

- b.
- i. Could Argentina explain how the measure meets the conditions required in Article XI of General Agreement on Tariffs and Trade (GATT): namely i) essentiality of the products, ii) criticalness of the shortages, and iii) temporality of the measure?
- ii. Could Argentina provide the reason why it resorted to export prohibition on some types of beef, rather than applying a quota which reflects the domestic supply and demand situation?

1.8 Argentina's export restrictions (SIM 710)

1.8.1 Question by European Union (AG-IMS ID 99095)

The EU notes that Argentina has not presented any notifications under Article 12 of the Agreement on Agriculture which would cover the export restrictions in place on agricultural products.

a. In the context of the current focus on the need to improve transparency, in particular on export restrictions, would Argentina consider a more transparent approach on the use of this important policy instrument?

Similarly, Argentina in spring 2021 introduced a ban/restriction on beef exports, recently prolonged for another two months, as part of an attempt to control rising inflation.

b. Does Argentina intend to notify these export prohibitions/restrictions to the Committee on Agriculture?

1.9 Canada's new milk ingredient class (SIM 18)

1.9.1 Question by New Zealand (AG-IMS ID 99098)

New Zealand has raised questions in the past around Canada's previous milk Class 7, which allowed for domestic milk ingredients to undercut pricing for competing imports, and facilitated the export of Canadian milk protein below the cost of Canadian production. Adjustments to Canada's special milk class system have removed Class 7, however the newly introduced Class 4a appears to have a number of similarities to Class 7. New Zealand would welcome further information from Canada regarding the differences between Class 4(a) and Class 7, including but not limited to pricing formula, product coverage, and calculated processor margin.

1.10 Canada's review of the TRQ system (SIM 536)

1.10.1 Question by New Zealand (AG-IMS ID 99099)

We appreciate Canada's ongoing willingness to review its Tariff Rate Quota policy. New Zealand would welcome further information around when Canada expects to finalise and announce the conclusions of the Comprehensive Review of the Allocation and Administration of supply managed TRQs, and if this additional delay in the review decision is anticipated to effect the timing of any resulting implementation?

1.11 EU's Environmental Policies (SIM 560)

1.11.1 Question by India (AG-IMS ID 99015)

India thanks the European Union (EU) for providing a response to AG-IMS ID 98030. In response to part (c) and (d), the EU replied, "The EU will include this information in its upcoming DS:2 notification, which will be forwarded to the WTO following the adoption of all Strategic Plans." When would the EU make its DS:2 notification in this regard?

1.12 India's pulses policies (SIM 442)

1.12.1 Question by Russian Federation (AG-IMS ID 99101)

Following up to AG-IMS ID 98096 the Russian Federation continues to call on India to remove its quantitative restrictions on yellow peas.

- a. When is India going to eliminate its quantitative restriction on pulses? Is India planning to make regular use of such measures?
- b. By 31 August 2021 India has still not announced measures for 2021-22 with respect to import of yellow peas. Does it mean that import of yellow peas in the fiscal year 2021-22 is de facto prohibited? When is India going to publish an official notification on its import regime bearing in mind Article X:1 of the GATT 1994, which states that all laws, regulations, judicial decisions and administrative rulings pertaining to restrictions or prohibitions on import shall be published promptly in such a manner as to enable governments and traders to become acquainted with them?
- c. Bearing in mind the fact that in the AG-IMS ID 98096 India stated that minimal import price requirement and port of entry restriction continues to remain applicable in the fiscal year 2021-22 the Russian Federation wonders about the reasons for remaining of these additional trade-restrictive measures. When is India going to eliminate minimum import price requirement and port of entry restriction?

1.13 India's wheat public stockpiling (SIM 525)

1.13.1 Question by United States of America (AG-IMS ID 99005)

In response to AG-IMS ID 98099, India again responded that it would respond in "due course" to a longstanding agenda item and request of this Committee. However, part of AG-IMS ID 98099 requested India to identify what specific steps has Indian taken to collect information on support measures that have not been included in its domestic support notifications.

Please identify what steps India is taking to collect information on support measures that have not been included in its domestic support notifications, if India remains unable to respond in full to AG-IMS ID 98099.

1.13.2 Question by United States of America (AG-IMS ID 99103)

The United States appreciates the information shared with the co-sponsors of AG-IMS ID 98103 regarding the process India undertakes with regard to assessing the availability of wheat and rice for procurement. India was requested to provide specific data: annual quantitative levels of current, historical, and pre-determined levels of wheat and rice since 2010.

- a. Is India in a position to provide the annual quantitative levels of current, historical, and pre-determined levels of wheat and rice since 2010 at this time? If so, please do.
- b. In its response to AG-IMS ID 98103, India stated that "the Government holds a consultative meeting with the Food Corporation of India (FCI), the State Governments and other stakeholders to make an assessment regarding the availability of wheat and rice for procurement at Minimum Support Price (MSP) in order to meet the food security requirements of our citizens." With regard to the consultative meeting cited, does India publish a summary of those discussions or the outcomes of the meeting? If so, please share them.

1.14 Mongolia's quota regime for importation (SIM 463)

1.14.1 Question by Russian Federation (AG-IMS ID 99104)

Following the question AG-IMS ID 97118, the Russian Federation would like to reiterate its concern about the uncertainty in trade conditions with respect to wheat flour and liquid milk, as they are still

not excluded from the list of agricultural products subject to quota regime. We continue referring to the answer AG-IMS ID 93072, where Mongolia states that import quotas were applied only before the Law on the Enrichment of Food Products would come into force. In this context, the Russian Federation expects to receive the following information from Mongolia:

- a. When is Mongolia planning to exclude wheat flour and liquid milk from the list of agricultural products?
- b. In the Trade Policy Review Report in March 2021 Mongolia stated that the issue of "restrictions on wheat flour and liquid milk were included in the guidelines for improving the Mongolian legislation until 2024 and shall be amended in accordance with the WTO rules and principles by 2021". What amendments will Mongolia make considering the Food Law of 20 December 2012? Why couldn't they be made earlier than 2024? What are the results of making the amendments in accordance with the WTO rules and principles by 2021?
- c. Could Mongolia please clarify its quota regime policy for liquid milk and wheat flour for 2022?
- d. When will Mongolia present a confirmation that quota regime for these products is eliminated completely?

1.15 Nigeria's import prohibitions on certain agricultural products (SIM 233)

1.15.1 Question by Brazil (AG-IMS ID 99105)

Brazil would like to invite Nigeria to provide, in writing, through the AG-IMS system, the answer that was given during the 98th CoA to question AG-IMS ID 98129.

Additionally, Brazil would appreciate it if Nigeria could provide information regarding different restrictions that, in Brazil's view, are tantamount to quantitative prohibitions.

A decade ago, Brazil was contributing to Nigeria's food security through exports of rice, which increased overall supply and kept prices in check. Since 2014/2015, when Nigeria banned the use of foreign exchange to import dozens of agricultural items, including rice, Brazil's exports have decreased to the point of no exports of rice being registered since 2018.

Brazil notes that Nigeria has not answered question 98130, posed by the US, regarding the same issue.

In the light of the above, could Nigeria provide the following information:

- a. Which products are being affected by the foreign exchange restrictions?
- b. Why is a staple food such as rice being kept under such restrictions?
- c. Is there a timetable for the lifting of such restrictions?
- d. How does such a "de facto" quantitative restriction comply with WTO rules?

1.16 Russian Federation's grain export duties (SIM 682)

1.16.1 Question by India (AG-IMS ID 99016)

India would like to request the Russian Federation to provide a response to questions AG-IMS IDs 97087 and 98026. For convenience, the question is repeated as follows:

As per the Ministry of Agriculture of the Russian Federation, the Russian Prime Minister signed a resolution on grain export duties. The export duties will be charged on wheat (from 15 February to 28 February); corn and barley (from 15 February to 14 March). Such duties will be increased in future.

- a. How does the Russian Federation see the impact of such measures on the food security of importing countries?
- b. In view of the short duration of implementation of these export duties, India would like to know if these export duties have stabilized prices for the products in the domestic market?
- c. How does the Russian Federation calculate the impact of these measures on domestic prices and international prices?

1.17 Russian Federation's support on exports of high value-added agricultural products (SIM 679)

1.17.1 Question by India (AG-IMS ID 99025)

It is noted that the Russian Federation has not provided the response to AG-IMS ID 97086. The question was repeated in AG-IMS ID 98027, and the response still remains outstanding. India would like to request the Russian Federation to provide a response. For convenience, the question is repeated below:

As per the Ministry of Agriculture of the Russian Federation, the Russian Federation will adopt new support measures to develop exports of high value-added agricultural products.

- a. What measures are being adopted, and when will these measures be implemented?
- b. What products are considered to be high-value-added and also elaborate on the criteria for identification of such products?

1.18 Russian Federation – Permanent export quota for cereals (SIM 633)

1.18.1 Question by India (AG-IMS ID 99024)

The response to AG-IMS ID 98028 remains outstanding. India would like to repeat the questions with a request for a response:

India would like to follow up on the question asked by the European Union in AG-IMS ID 95067 on Russia's export quota for cereals. In the response provided, the Russian Federation mentions that it established a temporary tariff quota on exportation of certain grains, which will be in effect from 15 February 2021 to 30 June 2021. Since the period of export quota has come to an end:

- a. India would like to know the current status of the measure.
- b. Could the Russian Federation explain its plans with respect to such measures after 30 June 2021?
- c. How much export has been made by the Russian Federation under this tariff quota system for the quota period?
- d. What are the commodities that fall under this temporary tariff quota?

1.19 Russian Federation's export restrictions (SIM 652)

1.19.1 Question by Japan (AG-IMS ID 99106)

In AG-IMS ID 98133, Japan requested the explanation about export prohibition on buck wheat, to which we have not received an answer yet. Japan would appreciate it if Russian Federation provide a specific answer to that question.

- a.
- i. Japan recognizes that the Russian Federation introduced export prohibition for 3 months on buckwheat from June 2021. However, Japan finds that the required notification to the Committee on Agriculture has not been made in accordance with Article 12 of the Agreement on Agriculture. Could the Russian Federation please provide the reason behind it and make a notification on this measure in near future?
- ii. Could the Russian Federation explain how it has given due consideration to the effects of the measure on importing Members' food security, as required in Article 12 of the Agreement on Agriculture?

b.

- i. Could the Russian Federation explain how the measure meets the conditions required in Article XI of General Agreement on Tariffs and Trade (GATT): namely i) essentiality of the products, ii) criticalness of the shortages, and iii) temporality of the measure?
- ii. Could the Russian Federation provide the reason why it resorted to export prohibition on buck wheat, rather than applying a quota which reflects the domestic supply and demand situation?
- iii. Could the Russian Federation please provide the date of expiry of the export prohibition?

1.19.2 Question by Ukraine (AG-IMS ID 99107)

Ukraine resubmits AG-IMS ID 98134 for which the Russian Federation has not provided answers:

Ukraine recognizes that according to the Government Resolution No. 684 of 30 April 2021 the Russian Federation introduced temporary export prohibition on barley valid from 5 June to 31 August 2021, however it did not provide required notification to the Committee on Agriculture in accordance with Article 12 of the Agreement on Agriculture. In view of that, could the Russian Federation:

- a. Provide more specific information, including statistic data regarding domestic production, consumption, stocks, import and export, on the basis of which the export prohibition on buckwheat was undertaking?
- b. Explain how it has given due consideration to the effects of the measure on importing Members' food security, as required in Article 12 of the Agreement on Agriculture?
- c. Provide explanation how the measure meets the conditions required in Article XI of GATT, namely essentiality of the products and criticalness of the shortages?
- d. Inform when it is going to submit a notification to the Committee on Agriculture in accordance with Article 12 of the Agreement on Agriculture and relevant notification in accordance with Article XI of GATT?

1.20 U.S. – Excise Duty Exemptions for Alcohol on Puerto Rico & the US Virgin Islands (SIM 588)

1.20.1 Question by European Union (AG-IMS ID 99002)

In its reply to question AG-IMS ID 93187 the US answered:

".. Under U.S. law, a portion of excise taxes on rum imported into the United States is transferred to the general treasuries of Puerto Rico and the U.S. Virgin Islands..."

a. Can the US indicate how big share of the excise duties collected is transferred to Puerto Rico and the Virgin Islands respectively?

- b. Can the US indicate the amounts in US dollar for the financial years that ended 30 September 2017, 2018, 2019 and 2020 that was transferred to Puerto Rico and the Virgin Islands respectively?
- c. Is rum, exported to the US but processed from imported alcohol in Puerto Rico and the Virgin Islands also eligible for this transfer of excise duty?
- d. Can the US explain how the authorities on Puerto Rico and the Virgin Island use these transferred excise duties? Any specific purpose and under which criteria?
- e. How is support granted to farmers in Puerto Rico and the Virgin Islands included in the US DS:1 notifications?

1.21 U.S. farm support (SIM 547)

1.21.1 Question by New Zealand (AG-IMS ID 99109)

New Zealand notes the recent U.S. Department of Agriculture (USDA) announcement of the new Pandemic Market Volatility Assistance Program. Through the programme, USDA will make available USD 350 million in payments to dairy farmers impacted by market disruptions caused by the COVID-19 pandemic.

USDA Secretary Vilsack noted that this assistance is part of a larger package of subsidies including permanent improvements to the Dairy Margin Coverage safety net program, totalling over USD 2 billion. New Zealand understands that these programmes are part of the USD 6 billion USDA Pandemic Assistance for Producers initiative announced in March. This is in addition to more than USD 5.6 billion prescribed under the previous administration's Coronavirus Food Assistance Program (CFAP) which has also been rolled into the Pandemic Assistance for Producers initiative.

The current administration's American Rescue Plan Act also contains USD 10 billion targeted at supporting agricultural producers.

New Zealand awaits the formal notification of these programmes to this Committee and notes the USDA's Economic Research Services forecast that direct payments to US producers will reach USD 28 billion, therefore likely exceeding the US' AMS commitments of USD 19.1 billion. In the purpose of transparency:

- a. Can the US provide an update on the total amount of funding delivered under these programmes (Pandemic Assistance for Producers, CFAP) to date?
- b. Can the US update the committee on the timing for notification of these payments (including the Pandemic Market Volatility Assistance Program) to this Committee?
- c. Can the US clarify how it will ensure that any remaining funds allocated under these programmes will be deployed in a way that is proportionate to the harm it seeks to address, transparent, consistent with WTO obligations, and wound back as soon as they are no longer necessary?

2 POINTS RAISED IN CONNECTION WITH INDIVIDUAL NOTIFICATIONS

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

2.1.1 China (G/AG/N/CHN/56)

AG-IMS ID 99028: Question by Thailand - Transparency issues

Thailand appreciates the submission of market access (MA:2) notification for the calendar year 2020 by China. According to the notification, China notified rice, short and medium grain with tariff quota quantity of 2,660,000 metric tonnes and rice, long grain with another tariff quota quantity of 2,660,000 metric tonnes. However, the actual quota import has been reported by the sum of both short and medium grain, and long grain.

In this regard, could China clarify the actual in-quota import for each TRQ ID in order to show the actual TRQ fill-rate for short and medium grain separated from long grain?

AG-IMS ID 99027: Question by Brazil - Tariff quota fill

China's latest MA:2 notification, pertaining to calendar year 2020, demonstrates that the fill-rate for tariff-rate quota CHNQ003 and CHNQ004 ("rice") was 54.7%. Considering that in the past 10 years, these quotas have had a fill-rate above 70% only once (calendar year 2017 - G/AG/N/CHN/41), Brazil would appreciate it if China could provide the following information:

- a. Could China provide data on market circumstances that would explain the relatively low volume of imports under TRQ CHNQ003 and CHNQ004?
- b. Are imports taking place outside the TRQs?
- c. What are the procedures and criteria for granting import licenses for rice?
- d. What is the share of state-owned enterprises in the total of Chinese rice imports?
- e. Could China provide indication whether the majority of imports were of short and medium grains or long grains?

2.1.2 Ecuador (G/AG/N/ECU/58)

AG-IMS ID 99029: Question by United States of America - Transparency issues

Much trade in global poultry meat is frozen. Ecuador's original TRQ schedule (in the attachment to WT/L/77/Add.1) listed the correct HS92 code for whole frozen turkey (020722) but provided an incorrect product description: "whole turkeys, fresh or refrigerated". This error was noted and the correct HS code (020725) for whole frozen turkey was identified in G/MA/TAR/RS/321/Add.1. However, the original error is replicated in Ecuador's Table MA:1 notifications through 2018 which only shows the bound tariff code 020722 from G/MA/TAR/RS/321 and not the correct code in the aforementioned addendum. In addition, the HS code (020724) appears to be incorrect in Ecuador's 2019 MA:1 notification (G/AG/N/ECU/50) for the TRQ with HS code possibly being drawn from WT/L/77/Add.1. It should be noted that the corresponding HS2017 code for whole frozen turkey in Ecuador's tariff schedule is 020725.

Taking note of these apparent errors, will Ecuador be submitting revised MA:1 and MA:2 notifications to reflect Ecuador's commitments?

Please confirm whether Ecuador currently administers this TRQ to permit whole frozen turkeys to be imported.

Taking note that Ecuador has consistently reported a zero in-quota fill rate for this TRQ as well as the TRQ for frozen chicken parts in its MA:2 notifications, what steps is Ecuador taking to improve fill rates?

2.1.3 India (G/AG/N/IND/26)

AG-IMS ID 99030: Question by Australia - Tariff quota fill

Australia thanks India for submitting its MA:2 for fiscal year 2020/21. Australia notes a number of tariff quotas had fill rates of less than 65%:

- INDQ001 0%;
- INDQ002 0%.

Australia notes no applications were received for the allocation of either tariff rate quota (TRQ). Australia kindly asks India to answer the following:

a. Was this the result of market forces, preferential imports or tariff quota administration?

- b. Is India doing anything to improve fill rates?
- c. Has India taken any actions that might have discouraged importers from using the TRQs?

AG-IMS ID 99048: Question by Brazil - Tariff quota fill

Brazil thanks India for engaging with Members and providing answers to some questions posed in relation to previous MA:2 notifications, specifically on fill rates of INDQ002 (Maize (corn), other).

Brazil notes that, in G/AG/N/IND/26, India stated that "no applications were received for the allocation of the tariff rate quota" INDQ002. Brazil also recalls that, in answering question AG-IMS ID 97127, posed by Australia, India explained that "The last date for submission of application is before 1 March of each financial year preceding the year of quota". If Brazil has understood correctly, considering that India's financial year runs from 1 April 2020 to 31 March 2021, in practice, applications should be made up to one month in advance of the beginning of the financial year.

In the light of the above, could India explain if it has contemplated any expansion in the window for receiving applications for imports under TRQ INDQ002, especially the possibility of allowing for licenses to be applied during the financial year, so as to provide more flexibility to market operators?

2.1.4 Japan (G/AG/N/JPN/263)

AG-IMS ID 99003: Question by Thailand - Tariff quota fill

Thailand appreciates the submission on market access (MA:2) notification for the fiscal year 2019/2020 by Japan. According to the notification, the TRQ fill rate for rice and its worked and prepared products is significantly high and near the full quota. In this regard, has Japan ever considered to expand this TRQ in the near future?

2.1.5 Japan (G/AG/N/JPN/264)

AG-IMS ID 99049: Question by Australia - Tariff quota fill

Australia thanks Japan for submitting its MA:2 for fiscal year 2020/21. Australia notes a number of tariff quotas had fill rates of less than 65%:

- JPNQ001 6.4%;
- JPNQ002 31.4%;
- JPNQ007 20.1%;
- JPNQ008 18.8%;
- JPNQ009 28%;
- JPNQ013 55.8%;
- JPNQ015 16.4%;
- JPNQ018 41.1%;
- JPNQ019 12%;
 JPNQ020 12.9%.
- JPNQ020 12.9%.

Australia has asked questions previously regarding low fill rates for a number of these commodities. Australia kindly asks Japan to answer the following:

- a. Was this the result of market forces, preferential imports or tariff quota administration?
- b. Is Japan doing anything to improve fill rates?
- c. Has Japan taken any actions that might have discouraged importers from using the TRQs?

AG-IMS ID 99050: Question by New Zealand - Tariff quota fill

New Zealand notes Japan's market access notification G/AG/N/JPN/264, in which the fill-rate for tariff quota JPNQ001 for skimmed milk powder (for school lunch) in fiscal year 2020-2021 was 6.4%.

Could Japan indicate the reason(s) for this low fill-rate?

2.1.6 Russian Federation (G/AG/N/RUS/27)

AG-IMS ID 99019: Question by India - Tariff quota fill

India requests the Russian Federation to provide a response to AG-IMS ID 98008. For convenience, the question is repeated below:

With respect to the Russian Federation's response to AG-IMS ID 93209, could the Russian Federation:

- a. elaborate on the market conditions resulting in under-fill?
- b. provide information on any efforts to improve administration to improve fill rates?

2.1.7 Russian Federation (G/AG/N/RUS/32)

AG-IMS ID 99051: Question by New Zealand - Tariff quota fill

According to Table MA:2 in G/AG/N/RUS/32, the fill rate in 2020 for Russian Federation's tariff quotas was as follows:

- RUSQ001 Fresh and Chilled beef 1%; RUSQ001 Frozen beef 24.9%;
- RUSQ005 Fresh, Chilled or Frozen Poultry 11.4%;
- RUSQ006 Fresh, Chilled or Frozen Poultry 12.8%;
- RUSQ007 Fresh, Chilled or Frozen Poultry 3.8%; and
- RUSQ009 Whey and modified whey, in powder 0%.

Could the Russian Federation indicate the reasons for these low fill-rates?

2.1.8 United Kingdom (G/AG/N/GBR/6)

AG-IMS ID 99052: Question by Brazil - Tariff quota fill

a. Brazil notices that, in general, fill rates for TRQs notified in document G/AG/N/GBR/6 are low.

Brazil also notices that, as a result of Regulation 1432/2020, the UK has established a performance requirement for applying for licenses, which requires operators to demonstrate proof of trade in order to be able to import under some TRQs.

In the light of the above, could the UK explain:

- i. How Regulation 1432/2020 is affecting fill rates of the TRQs notified in G/AG/N/GBR/6?
- ii. For future quota years, how will operators be able to make proof of trade in a scenario of reduced fill rates?
- b. Specifically, Brazil notes that imports under GBRQ006 (fill-rate: 32,4%) and GBRQ007 (fill-rate: 0,1%) (Meat of bovine animals, frozen; edible offal of bovine animals, frozen) are significantly below historical levels, as indicated in documents G/SECRET/44. Brazil would appreciate it if the UK could provide the following information:
 - i. Could the UK provide data on market circumstances that would explain the low volume of imports under TRQ GBRQ006 and GBRQ007?
 - ii. Are imports taking place outside the TRQs?
 - iii. What are the procedures and criteria for granting import licenses for GBRQ006 and GBRQ007?

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AG-IMS ID 99009: Question by Paraguay - Tariff quota fill

Paraguay notes with concern the extremely low tariff rate quota fill rates for beef. Apart from quota GBRQ006, all the other quotas have a fill rate of, or close to, 0%. Likewise, the fill rate of quota GBRQ006 barely reaches 32.4%.

In light of the above, please could the United Kingdom:

- a. Explain the reasons for the low tariff rate quota fill rates for beef?
- b. Indicate whether it has or is considering changing its administration method, in accordance with the provisions of the Bali decision on tariff rate quotas?

AG-IMS ID 99053: Question by Thailand - Tariff quota fill

Thailand thanks the UK for its notification concerning imports under tariff rate quota during the marketing year from 1 January to 30 June 2021. Thailand noted that the fill rate of TRQ number GBRQ066 (Processed chicken meat, containing 25% or more but less than 57% by weight of poultry meat or offal) was slightly low during the reporting year. Could the UK explain the reasons for the underfill of the above-mentioned TRQ?

2.1.9 United States of America (G/AG/N/USA/153)

AG-IMS ID 99020: Question by India - Tariff quota fill

India thanks the United States for its Table MA:2 notification for 2020 (G/AG/N/USA/153), which shows low fill rates for the following products:

- i. dried milk, whether or not containing added sugar or other sweetening matter (USAQ006) (1.8%);
- ii. dried milk and dried cream, whether or not containing added sugar or other sweetening matter. Additional U.S. Note 9 to chapter 4 (USAQ009) (9.3%);
- iii. cheese and substitutes for cheese, containing 0.5% or less by weight of butterfat (except articles within the scope of other import quotas provided for in additional (USAQ023) (1.9%);
- iv. cotton, not carded or combed, the product of any country or area, including the United States, having a staple length of 34.925 mm (1 3/8 inches) or more. Additional U.S. Note 8 to chapter 52 (USAQ052) (1.2%).

And zero-fill rates for some other products, as mentioned below:

- American-type cheese, including Colby, washed curd and granular cheese (but not including Cheddar cheese), and cheese and substitutes for cheese containing or processed from, such American - type cheese (USAQ019) (0%);
- ii. chocolate and low-fat chocolate crumb containing 5.5% or less by weight of butterfat (excluding articles for consumption at retail as candy or confection). Additional U.S. Note 3 to chapter 18 (USAQ036) (0%);
- iii. animal feed containing milk or milk derivatives. Additional U.S. Note 2 to chapter 23 (USAQ046) (0%);
- iv. cotton, not carded or combed, the product of any country or area including the United States, having a staple length under 28.575 mm (1-1/8 inches) (except harsh or rough cotton, having a staple length under 19.05 mm (3/4 inch)). Additional U.S. Note 5 to chapter 52 (USAQ049) (0%);
- v. harsh or rough cotton, not carded or combed, the product of any country or area including the United States, having a staple length of 29.36875 mm (1-5/32 inches)

or more but under 34.925 mm (1-3/8 inches) and white in colour (except cotton of perished staple, grabbots and cotton pickings). Additional U.S. Note 6 to chapter 52 (USAQ050) (0%);

- vi. cotton, not carded or combed, the product of any country or area including the United States, having a staple length of 28.575 mm (1-1/8 inches) or more but under 34.925 mm (1-3/8 inches) (except harsh or rough cotton, not carded or combed, having a staple length of 29.36875 mm (1-5/32 inches) or more but under 34.925 mm (1-3/8 inches) and white in colour (except cotton of perished staple, grabbots and cotton pickings)). Additional U.S. Note 7 to chapter 52 (USAQ051); fibers of cotton processed but not spun. Additional U.S. Note 10 to chapter 52 (USAQ051) (0%);
- vii. fibers of cotton processed but not spun. Additional U.S. Note 10 to chapter 52 (USAQ054) (0%).
- a. Could the United States elaborate on the reason for the underfill or zero-fill rate of the products mentioned above?
- b. What efforts are being envisaged to improve the fill rates?

2.2 Special agricultural safeguards (Tables MA:3 to MA:5)

2.2.1 European Union (G/AG/N/EU/70)

AG-IMS ID 99054: Question by Australia - Transparency issues

Australia thanks the European Union (EU) for submitting its MA:5 notification for the marketing year 2020/21. Can the EU provide the following information for all the products for which safeguard action was taken based on price:

- volume of imports affected;
- extent to which the import price was below the trigger price; and
- additional duty levied.

Australia has asked this question previously (AG-IMS ID 89074) and notes the EU advised at that time it did not collect this information. Nonetheless, and to enhance the transparency of safeguard implementation, Australia would appreciate the EU updating the Membership as to whether this information is now available and if so, providing it in AGIMS.

2.3 Domestic support commitments (Table DS:1)

2.3.1 Brazil (G/AG/N/BRA/63)

AG-IMS ID 99055: Question by United States of America - Transparency issues (including Table DS:2)

Supporting Table DS:1

The United States thanks Brazil for submitting its domestic support notification for Agricultural Year 2018/19 and takes note of several changes regarding notified measures in Supporting Table DS:1. These changes include Brazil no longer notifying "Acquisition of equipment by municipalities for services in rural areas", nearly completely eliminating notified outlays for "support for technological innovation projects to family farming" and notifying "Inspection of organic production" as a new measures.

a. Please confirm whether Brazil has modified or introduced new measures and whether such changes will be reflected in a Table DS:2 notification.

It is also noted that several new measures related to public stockholding for food security have been notified in 2018/19, but overall expenditures in this category decreased slightly.

b. Do these changes reflect a change in the implementation of public stockholding measures or a disaggregation of existing measures for transparency purposes?

2.3.2 Canada (G/AG/N/CAN/142)

AG-IMS ID 99056: Question by Australia - Transparency issues (including Table DS:2)

Australia thanks Canada for submitting its DS:1 notification for calendar year 2017. Australia would like to request further information on the following programmes:

- a. AgriStability Canada notified an expenditure of \$444.8 million in 2017, an increase from \$200.7 million in 2016. Can Canada please explain the circumstances leading to this significant increase?
- b. Other direct payments in Supporting Table DS:6 'Other direct payments' are listed for honey, other crops, beef, milk (fluid and industrial) and apples. Could Canada please provide additional information on these payments?
- c. Other Provincial Programs in Supporting Table DS:7 'Other Provincial Programs' are listed as providing support for other crops, beef, pork, sheep and potatoes. Could Canada please provide additional information on these programmes?

AG-IMS ID 99058: Question by European Union - Transparency issues (including Table DS:2)

Can Canada indicate where the following schemes are included in the notification?

- Grants paid in Ontario under the "VQA wine support program";
- Subsidies paid in Quebec under the "Programme d'appui au positionnement des alcools québécois dans le réseau de la société des alcools du Québec".

AG-IMS ID 99026: Question by India - Transparency issues (including Table DS:2)

India thanks Canada for submitting the DS:1 notification for 2017. It is noted that in Supporting Table DS:1 and Supporting Table DS:9 (G/AG/N/CAN/142), Canada has mentioned the reporting period as "Stabilization year". What does this signify?

AG-IMS ID 99060: Question by Turkey - Transparency issues (including Table DS:2)

Turkey thanks Canada for submitting its domestic support notification.

- a. Supporting Table DS:1: Canada has been notifying "Income insurance and income safety-net programs" in the STDS:1. Turkey notes that the amount of support for this measure type has dropped until 2017. According to G/AG/N/CAN/142, "Income insurance and income safety-net programs" support has increased more than twice in 2017.
 - i. Can Canada explain the reason behind this increase?
 - ii. What is the current situation with this measure? Will it continue to increase in the future?
- b. Supporting Table DS:4: in the Supporting Table DS:4, there is an entry indicating the amount of support for "other crops". Can Canada list these "other crops"?
- c. Supporting Table DS:9: Turkey notes that amount of support for "Federal Credit Concessions" has mostly been increasing and it has increased more than three times compared to year 2012.
 - i. Can Canada explain the reason behind this increase over years?
 - ii. What is the current situation with this measure? Will it continue to increase in the future?

AG-IMS ID 99059: Question by Japan - Other product-specific AMS/EMS

Supporting Table DS:6

a.

- i. Could Canada explain the reasons for the increase in Direct payments on 'Wheat and durum' which increased by over 570% from \$4.3 million to \$24.3million between CY 2017 and CY 2018?
- ii. If there has been a change in the programme(s) that contributed to this significant increase, could Canada explain the details of the change?
- b.
- i. Could Canada explain the reasons for the increase in Direct payments on Measure Type Assurance stabilisation des revenus agricoles of 'beef'' which increased by over 470% from \$0.7 million to \$33.4 million between CY 2017 and CY 2018?
- ii. If there has been a change in the programme(s) that contributed to this significant increase, could Canada explain the details of the change?

AG-IMS ID 99057: Question by Australia - De minimis

Australia thanks Canada for submitting its DS:1 notification for calendar year 2017. Australia notes that Canada has provided product-specific domestic support for milk and sheep in excess of product-specific *de minimis* commitments, but within its Total AMS commitment level.

For milk, the breach of *de minimis* is largely due to Canada's market price support programme.

For sheep, the breach of *de minimis* is largely due to risk and income management programs in Ontario and Quebec.

Can Canada please outline the measures it is taking to ensure future support to milk and sheep remain within Canada's product-specific *de minimis* commitments?

2.3.3 Colombia (G/AG/N/COL/73, G/AG/N/COL/74)

AG-IMS ID 99063: Question by Canada - Other product-specific AMS/EMS

During calendar year 2017 and 2018, Colombia notified new support for maize. The measure is described as direct support to producers.

- a. Could Colombia provide the name of the measure and a short description of how the programme works?
- b. Could Colombia provide the eligibility criteria for the measure?

2.3.4 Côte d'Ivoire (G/AG/N/CIV/27, G/AG/N/CIV/28)

AG-IMS ID 99064: Question by United States of America - Transparency issues (including Table DS:2)

Côte d'Ivoire reported no domestic support granted to agricultural producers in either its 2019 or 2020 table DS:1 notifications, which continues Côte d'Ivoire's trend of notifying that no domestic support has been granted. However, it remains concerning that Côte d'Ivoire continues to make these notifications of no domestic support while not responding to questions posed by the United States and other Members regarding measures that have been identified as likely domestic support measures.

During the period covered by G/AG/N/CIV/27 and G/AG/N/CIV/28, it appears Côte d'Ivoire has continued to provide support to producers, including for cacao, cashew nuts, and cotton. For

example, a Government of Côte d'Ivoire website states that the President of Côte d'Ivoire indicated that 21 billion FCFA were paid to producers of cashew and cotton. (<u>https://www.gouv.ci/ actualite-article.php?recordID=10680&d=1#p</u>) Another Government of Côte d'Ivoire website included a quote from Ivoirian Minister of Agriculture and Rural Development stating, "in the cocoa sector alone, more than 7,000 billion FCFA have been distributed to producers [...] since 2011." (<u>https://www.gouv.ci/ actualite-article.php?recordID=10641&d=1#p</u>)

- a. With regard to both measures during 2019 and 2020, as well as for previous years notified, please explain on what basis various support measures, including those for cacao, cashew nuts, and cotton, have not been notified.
- b. The United States also would appreciate an update on when Côte d'Ivoire intends to provide responses to the various unanswered questions raised by Members regarding the specific details of some of these measures and their non-notifications, including the question posed by the United States in AG-IMS ID 91139.

2.3.5 Dominican Republic (G/AG/N/DOM/46)

AG-IMS ID 99065: Question by Brazil - Investment subsidies generally available to agriculture

Brazil thanks the Dominican Republic for its latest DS:1 notification and notices that, even though overall expenditures under Article 6.2 have decreased between 2019 (G/AG/N/DOM/43) and 2020 (G/AG/N/DOM/46), notified expenditures under "Special Fund for Agricultural Development (FEDA)" have increased almost seven fold, from 37,119,927.61 DOP to 259,719,919.9 DOP (Brazil duly notes that there has also been a decrease on notified expenditures under "Agricultural Bank").

In the light of the above, could the Dominican Republic provide further explanation on the motives behind such changes in Supporting Table DS:2 from 2019 to 2020?

AG-IMS ID 99066: Question by Canada - Input subsidies available to low-income or resource-poor producers

In 2020, Dominican Republic notified input subsidies under Supporting Table DS:2, which is described as seed promotion and distribution.

- a. Could Dominican Republic provide more information on the eligibility criteria of the programme?
- b. Could Dominican Republic elaborate on how the programme targets low-income or resource-poor producers?

AG-IMS ID 99067: Question by European Union - Non-product-specific AMS

Supporting Table DS:9 includes an amount of DOP 439,5 million for "Storage, insurance and financial costs subsidy".

- a. Can the Dominican Republic explain more in detail which product is covered by this "Pledge Programme food security maintenance programme"?
- b. How is the subsidy level for "Financial costs, storage cost and insurances" determined?
- c. Is the subsidy amounts specific for the different products eligible to the programme?

2.3.6 El Salvador (G/AG/N/SLV/76, G/AG/N/SLV/77, G/AG/N/SLV/78, G/AG/N/SLV/79)

AG-IMS ID 99068: Question by United States of America - Transparency issues (including Table DS:2)

The United States welcomes recent efforts by El Salvador to bring their domestic support notifications further up to date with the recent notification of support for 2012/2013

through 2015/2016 follow upon previous submissions in 2020 and earlier in 2021 for other outstanding notifications.

Taking note of the numerous new notified measures and increased notified level of spending in exempt measures by El Salvador both in G/AG/N/SLV/76-79 and previous notifications, please confirm when El Salvador will be submitting the required Table DS:2 notifications for these new or modified exempt measures.

AG-IMS ID 99069: Question by Canada - Transparency issues (including Table DS:2)

For financial year 2014/2015 (G/AG/N/SLV/78), El Salvador reported no investment subsidy, a first since 2006.

Could El Salvador confirm that no investment subsidy was provided to agricultural producers for the 2014/2015 financial year?

AG-IMS ID 99070: Question by United States of America - Transparency issues (including Table DS:2)

In G/AG/N/SLV/78, no Supporting Table DS:2 domestic support was notified in 2014/2015, while some support was notified in both previous and subsequent years.

Please confirm there were no development programmes in the period of 2014/2015.

AG-IMS ID 99071: Question by Canada - Input subsidies available to low-income or resource-poor producers

In financial year 2015/2016 (G/AG/N/SLV/79), El Salvador introduced a number of input subsidy measures under supporting table DS:2

- a. Could El Salvador provide more information on the eligibility criteria of the programmes?
- b. Could El Salvador explain how the programmes target low-income or resource-poor producers?

AG-IMS ID 99072: Question by United States of America - Input subsidies available to low-income or resource-poor producers

In G/AG/N/SLV/79, El Salvador notifies several different measures under "Agricultural input subsidies generally available to low-income or resource-poor producers".

Please identify how El Salvador defines a low-income or resource-poor producer in its domestic legislation and confirm whether the same definition is used for each notified measure or whether there are varying definitions.

2.3.7 European Union (G/AG/N/EU/69)

AG-IMS ID 99073: Question by United States of America - Other product-specific AMS/EMS

Sugar support between MY17/18 to MY18/19 increased from EUR 4.1 million to EUR 131 million due to the addition of two new measures: National State Aid France - POSEI and National Aid France POSEI Regulation 228/2013.

Please describe how the National State Aid France – POSEI and National Aid France POSEI Regulation 228/2013 are implemented and the differences between the two measures.

AG-IMS ID 99074: Question by United States of America - Other product-specific AMS/EMS

In G/AG/N/EU/69, the European Union notified a new measure for wine, 'national support', that did not exist in the previous year, with support totalling EUR 25 million.

Please describe how this measure is implemented.

AG-IMS ID 99075: Question by United States of America - Other product-specific AMS/EMS

The EU notification G/AG/N/EU/69 shows that grapes received support from the "Market withdrawal by Producer Organisations + CY CNDP" measure in 2018/19 and in previous years.

- a. It is the United States' understanding that 'CY CNDP' may be the abbreviation for Cyprus Complementary National Direct Payments; however, it is not clear from the European Union's notification. Please confirm.
- b. Please clarify the relationship between the CY CNDP and "Market withdrawal by Producer Organisations", including why the CNDP and the Market Withdrawal are notified as a single measure.

2.3.8 India (G/AG/N/IND/18, G/AG/N/IND/25)

AG-IMS ID 99006: Question by Paraguay and United States of America - Public stockholding for food security purposes

Follow up on AG-IMS ID 98039. In its reply to this question India has once again stated that it is "in the process of collecting information on "other support" and it will be notified in due course". Could India please provide an update on when this could be expected to be notified?

We reiterate that this information is necessary to verify whether India has adhered to paragraph 5 of the Bali Ministerial Decision, which requires that there be no increase of Amber Box support for programmes other than public stockholding. We also reiterate our concern that given the lack of any indication of what type of other support may be involved, it is difficult to assess whether India is complying with the commitments outlined in the Bali Decision on Public Stockholding for Food Security.

AG-IMS ID 99010: Question by Paraguay and United States of America - Domestic food aid

Follow up on AG-IMS ID 98045. As requested in the referenced question please provide the following data for G/AG/N/IND/18, G/AG/N/IND/19, and G/AG/N/IND/25:

- a. Breakdown of the "expenditures in relation to the accumulation... of stocks of products" under paragraph 3 of Annex 2 of the Agreement on Agriculture (AoA).
- b. Breakdown of the "expenditures in relation to the...holding of stocks of products" under paragraph 3 of Annex 2 of the AoA.
- c. Breakdown of the "expenditures in relation to the provision of domestic food aid to sections of the population in need" under paragraph 4 of Annex 2 of the AoA.

The information being requested once again was not provided by India in its answer to the referenced question and it is, as noted in the original question, not available in the notifications provided by India, referenced in this question.

AG-IMS ID 99007: Question by Paraguay and United States of America - Direct payments: decoupled income support

Follow up on AG-IMS ID 98072. In its reply to this question India did not identify all schemes or programmes that fall under 'decoupled income support' measures. Therefore, we reiterate our request for this information.

AG-IMS ID 99008: Question by Paraguay and United States of America - Market price support

Follow up AG-IMS ID 98059. In its reply to this question India did not indicate when the relevant final data will be notified. Therefore, we reiterate our request for this information.

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2.3.9 Nigeria (G/AG/N/NGA/19, G/AG/N/NGA/20, G/AG/N/NGA/21, G/AG/N/NGA/22)

AG-IMS ID 99078: Question by Canada - Transparency issues (including Table DS:2)

Canada notes that Nigeria reported the introduction of a significant number of new measures starting in year 2017 (G/AG/N/NGA/22). Canada also notes that neither the name of the measures, nor the specific descriptions of each of the measures were included in Supporting Tables DS:1 and DS:2.

- a. Could Nigeria specify when it intends to submit a DS:2 notification, which would provide the necessary justifications for exempting the numerous new programs reported in Nigeria's DS:1 notification starting in 2017?
- b. Could Nigeria provide the actual name and descriptions of the measures compiled in its notifications from 2017 to 2020?

AG-IMS ID 99011: Question by Paraguay - Transparency issues (including Table DS:2)

- a. In notification G/AG/N/NGA/21 for 2018, Nigeria reports Green Box payments exempt from reduction commitments for "Other general services Management of Rural Settlement Programmes", a category that was not included in notification G/AG/N/NGA/22 and therefore appears to be a new programme. In light of the above, the Nigerian delegation is asked when it plans to submit the corresponding DS:2 notification.
- b. A substantial increase is also noted in the reported green box expenditures between 2017 and 2018, with a difference of approximately NGN 20 billion. According to the reported information, the following increases of more than NGN 1 billion have been noted:
 - training services: from NGN 2,646.4 million to NGN 9,474 million;
 - extension and advisory services: from NGN 1,036 million to NGN 4,533.5 million;
 - marketing and promotion services: from NGN 26,437.4 million to
 - NGN 29,136.7 million;
 - infrastructural services: from NGN 1,844.8 million to NGN 7,199.3 million.

In each case, could Nigeria provide information on the programmes and reasons that have led to such significant increases and, where appropriate, which specific goods or sectors have benefited from this support?

AG-IMS ID 99012: Question by Paraguay - Transparency issues (including Table DS:2)

- a. In notification G/AG/N/NGA/20 for 2019, Nigeria reports green box payments exempt from reduction commitments for "domestic food aid", a category that was not included in notification G/AG/N/NGA/21 and therefore appears to be a new programme. In light of the above, the Nigerian delegation is asked when it plans to submit the corresponding DS:2 notification.
- b. According to the reported information, the following increases of more than or close to NGN 1 billion have been noted in the following green box categories:
 - Extension and advisory services: from NGN 4,533.5 million to NGN 8,325.15 million
 - Infrastructural services: from NGN 7,199.3 million to NGN 8,192.7 million

In each case, could Nigeria provide information on the programmes and reasons that have led to such significant increases and, where appropriate, which specific goods or sectors have benefited from this support?

c. Nigeria has also reported an expenditure increase of NGN 3,692.5 million in subsidies granted under Article 6.2. Nigeria is requested to explain the reasons for this significant increase, as well as the programmes included and goods benefiting under this item and the eligibility criteria for beneficiary farmers.

AG-IMS ID 99013: Question by Paraguay - Transparency issues (including Table DS:2)

Paraguay is pleased to note Nigeria's efforts in submitting its outstanding notifications from 2017 to 2020. We note that between 1995 and 2016 Nigeria reported that it had not provided any domestic support.

In notification G/AG/N/NGA/22 for 2017, Nigeria reports green box payments exempt from reduction commitments and pursuant to Article 6.2, assigned to eight different categories. Please could Nigeria clarify:

- a. What the starting year of these programmes is?
 - i. Whether these programmes existed before 2017 and if so, whether the notifications for the previous years will be amended?
 - ii. Whether Nigeria plans to submit the eight DS:2 notifications for these programmes, if the programmes are recent.
- b. What the eligibility criteria are for the support provided under Article 6.2 and what type of inputs are granted?

AG-IMS ID 99077: Question by Australia - Input subsidies available to low-income or resource-poor producers

Australia welcomes Nigeria's DS:1 notifications for calendar year 2017 (G/AG/N/NGA/22). As we have done on previous DS:1 notifications, Australia continues to encourage Nigeria to provide as much information as possible in future DS notifications to enable analysis of its agriculture policies by Members. In this context, Australia requests further details on the types of input subsidies that are provided in the support outlined in Supporting Table DS:2.

AG-IMS ID 99076: Question by European Union - Input subsidies available to low-income or resource-poor producers

In the two notifications Nigeria indicates NGN 895.9 million and NGN 4,588 million in Supporting Table DS:2 for input subsidies.

- a. Can Nigeria clarify which types of input subsidies is covered under this heading?
- b. Furthermore, is the increase from 2018 to 2019 due to a change in policy?

2.3.10 Panama (G/AG/N/PAN/58)

AG-IMS ID 99082: Question by United States of America - Transparency issues (including Table DS:2)

The United States understands, based on AG-IMS ID 93196, that the notified value represents payments made for any rice sold during the notified calendar year – whether production is from the current agricultural year or a previous agricultural year. This is also noted in AG-IMS ID 92062 where the United States understands Panama to state that the eligible production figure represented 2018 production as well as production from the last few months of 2017.

Further, the United States notes that the same measure as for rice is notified for milk and maize in Supporting Table DS:6. It was the United States understanding that all outlays made during the given calendar year, for rice, milk, and maize regardless of when production occurred was the notified outlay value. However, in G/AG/N/PAN/58, Panama includes a new footnote only for rice in Supporting Table DS:4 stating, "Amount includes support for previous years."

Please provide further clarification on what the reporting year for notified outlays in Supporting Table DS:4 and Supporting Table DS:6 represent and whether there is a difference for rice versus other commodities.

Please provide further clarification as to what the eligible production listed represents specifically. For example, does the volume notified in G/AG/N/PAN/58 represent all production sold during specific months at the end of 2019 and most/all of 2020?

AG-IMS ID 99080: Question by Canada - Investment subsidies generally available to agriculture

In DS:1 notification 2020, Panama notified an investment subsidies programme under Supporting Table DS:2. The programme is described as: "Loans generally available to small-scale producers with an annual income not exceeding USD 100,000."

- a. Could Panama further explain how "small-scale producers" is defined in the context of this subsidy?
- b. Could Panama provide the percentage and number of farmers in Panama with an annual income under 100,000 USD?

AG-IMS ID 99079: Question by Canada - Scheduled commitment level

Canada notes that Panama has exceeded its annual domestic support commitment for a fourth consecutive year.

Could Panama please provide an update on the steps it is undertaking to bring itself back into compliance with its domestic support commitment?

AG-IMS ID 99081: Question by United States of America - Scheduled commitment level

The United States remains concerned regarding Panama's compliance with its domestic support commitments, particularly with respect to notified support for rice, which was 2.5 times larger in calendar year 2020 than it was in calendar year 2019.

In Panama's response to AG-IMS ID 97141, Panama stated that a commission would review Law 17 of 2018 in the first half of 2021.

Please provide an update on this review and what the findings were.

2.3.11 Russian Federation (G/AG/N/RUS/34)

AG-IMS ID 99083: Question by Canada - Transparency issues (including Table DS:2)

Canada notes that many of the measures claimed as Green Box by the Russian Federation do not include adequate descriptions of the measure(s) or the name of such measure(s). Furthermore, it is noted by Canada that, since its accession to the WTO, the Russian Federation has yet to submit a DS:2 notification to report any new measures or modification of its measures which would justify changes in amounts reported over the years.

- a. Could the Russian Federation explain when it intends to provide a DS:2 notification to help the other delegations understand the programmes included in the broad categories notified by the Russian Federation, in addition to providing justification for their exemption?
- b. Please provide a list of all programmes names, description and justification for Green Box exclusion for measures aggregated under "Decoupled income support", "Payments for relief from natural disasters" and "environmental programmes".

AG-IMS ID 99084: Question by United States of America - Market price support

As with previous years, the Russian Federation did not notify market price support again for 2019. In AG-IMS ID 95105, the Russian Federation stated it would only notify its market price support when interventions take place.

a. Please provide an update of the announced minimum procurement prices for wheat, barley, and any other supported commodities for 2019.

- b. Please confirm the reason for not notifying market price support for 2019 is the lack of interventions.
- c. Please explain the criteria used by the Russian Federation to determine when interventions will take place.

2.3.12 Chinese Taipei (G/AG/N/TPKM/202)

AG-IMS ID 99062: Question by Canada - Direct payments: payments for relief from natural disasters

In 2017, Chinese Taipei reported an expenditure of 184.78 TWD million under "relief from natural disasters" paragraph 8, Annex 2 for a programme which provides an interest subsidy.

- a. Could Chinese Taipei indicate what percentage of loss of production is needed to occur in order for a producer to be eligible for the special loans?
- b. Could Chinese Taipei provide more information on the eligibility criteria of the programme?

AG-IMS ID 99061: Question by Australia - De minimis

Australia thanks Chinese Taipei for submitting its DS:1 notification for calendar year 2017. Australia notes that Chinese Taipei has provided product-specific domestic support for a number of products in excess of product-specific *de minimis* commitments, but within its Total AMS commitment level. For three of these products, domestic support has reached more than 50% of the value of production:

- Feed corn 99.34%;
- Soybean 80.67%:
- Tobacco leaves 64.01%.

Can Chinese Taipei please outline any measures implemented to try to reduce the reliance on product-specific domestic support of these three products?

2.3.13 United States of America (G/AG/N/USA/150)

AG-IMS ID 99085: Question by Australia - Transparency issues (including Table DS:2)

Australia would like to thank the US for uploading its answer to Australia's question AG-IMS ID 98189 on the Market Facilitation Program (MFP) notified in G/AG/N/USA/150. Australia thanks the US for the additional information provided on the MFP.

In addition to product-specific support under the MFP, Australia notes the US reported in G/AG/N/USA/150 USD 5.19 billion of non-product specific support under the MFP for non-specialty crops in Supporting Table DS:9. This was not counted towards the US' current total AMS, since the total non-product specific support fell below the US' *de minimis* limit. In this context, Australia would like to seek the following additional information:

- a. could the US explain why the MFP support in Supporting Table DS:9 was not reported against specific products in Supporting Table DS:6?
- b. Could the US explain the change to the U.S. notified current total AMS if this USD 5.19 billion was reported under product-specific support?

AG-IMS ID 99086: Question by China - Transparency issues (including Table DS:2)

Regarding AG-IMS ID 98178 "With the change of notifying period, why National Institute for Food and Agriculture (NIFA) Biomass Research and Development is reduced from USD 11 million in G/AG/N/USA/135 to USD 1 million in G/AG/N/USA/135/Rev.1? And why WHIP in Green Box is reduced from USD 152 million in G/AG/N/USA/135 to USD 1 million in G/AG/N/USA/135.

The US answered that "The data notified for the National Institute for Food and Agriculture (NIFA) in G/AG/N/USA/135 covers the 12-month period from 1 September 2017 to 31 August 2018. The

data notified for the NIFA in G/AG/N/USA/135/Rev.1 covers the 12-month period from 1 October 2017 to 30 September 2018. The data notified for WHIP in G/AG/N/USA/135 covers the 12-month period from 1 September 2017 to 31 August 2018. The data notified for WHIP in G/AG/N/USA/135/Rev.1 covers the 12-month period from 1 October 2017 to 30 September 2018".

Does it mean that a lion's share of the NIFA and WHIP payments were made in September 2017? Please further explain how and when the payments were made.

AG-IMS ID 99088: Question by China - Transparency issues (including Table DS:2)

According to USDA, the U.S. Government will be providing \$1 billion to producers who filed claims through the Quality Loss Adjustment (QLA) programme and the Hurricane Indemnity Program Plus (WHIP+) starting 15 June 2021. These programmes were originally set up for producers who experienced losses in 2018 and 2019 natural disasters but will continue to provide funds for future weather-related losses. For eligible crop losses, producers who applied for and received their first WHIP+ payment can expect to receive the additional second payment beginning in mid-June. Could the US please provide more information on how the second WHIP+ payment will be made? For producers who received first WHIP+ payment, how the additional second payment will be calculated? And considering the payment is based on losses in 2018 and 2019, will the second payment be notified in 2018, 2019 or 2021?

AG-IMS ID 99087: Question by China - Classification of measures

Please further explain why WHIP+ is notified as non-product specific, since each payment made to the farmer is calculated based on expected value and actual harvested value of each crop.

Previously, the US replied that "crop-specific data on outlays are not available". Is it because each farmer applies for the payment based on collective crop values of the whole farm?

2.4 New or modified domestic support measures (Table DS:2)

2.4.1 United Kingdom (G/AG/N/GBR/4)

AG-IMS ID 99089: Question by Brazil - Classification of measures

Follow-up to AG-IMS ID 98193:

Brazil thanks the United Kingdom for answering question AG-IMS ID 98193, however Brazil respectfully disagrees with the interpretation and application of Article 6.5 of the AoA made by the UK.

Brazil has circulated document JOB/AG/196 (Article 6.5 of the Agreement on Agriculture In Perspective) and acknowledges that there are escape valves in Article 6.5, yet the UK's interpretation would create a loophole in the AoA architecture which, in Brazil's view, may jeopardize the agreement's domestic support discipline logics of capping trade-distorting domestic support.

Should this interpretation be consolidated among the Membership, nothing would prevent any Member from establishing any production-target and argue that it is not subject to the commitment to cap domestic support because it is based on fixed area, however large or even implausible. In practice, there would be no limit to subsidization.

Through the UK's explanation, Brazil infers that the UK does not seek to unlimitedly increase its production. Nonetheless, this does not change the fact that, in Brazil's view, the programme does not meet Article 6.5 rationale, objectives and criteria.

Therefore, Brazil asks the UK whether it would consider notifying "Coupled Support for Protein Crops" in the Amber Box.

2.4.2 United Kingdom (G/AG/N/GBR/5)

AG-IMS ID 99091: Question by Turkey - Transparency issues (including Table DS:2)

Turkey appreciates the United Kingdom providing information on new or modified domestic support measures exempt from reduction.

- a. Can United Kingdom explain how "Protected Landscapes" is identified in the Farming in the Protected Landscape Programme?
- b. Can United Kingdom explain the criteria for being a "young farmer" in the Annual Defra Grant to the National Federation of Young Farmers Clubs 2021/22?
- c. On the "Future Farming and Countryside Programme Tree Health Pilot" measure, it is said that "Eligibility for payments will be restricted to specific criteria, notably the presence of specific tree pests and diseases."

Can United Kingdom give details about this specific criteria?

AG-IMS ID 99090: Question by Thailand - Direct payments: payments under environmental programmes

Thailand thanks UK for the submission of notification concerning new or modified domestic support measures exempt from reduction. Thailand notes the "Farming in Protected Landscapes Programme" which is classified as Green Box. The notification mentioned that the programme aligned with specific criteria of Paragraph 12 (Payments under environmental programmes) of Annex 2 under the AoA.

Could the UK provide more information in this regard, such as the criteria for projects that are eligible for environmental programmes, the expected amount of total support under environmental programmes, how the programs operate, and the payment system for each project?

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

2.5.1 New Zealand (G/AG/N/NZL/127)

AG-IMS ID 99092: Question by Canada - Transparency issues

Canada notes that New Zealand did not report any amount in year 2019/2020 or 2020/2021 related the \$372 million International Air Freight Capacity (IAFC) scheme that provides government assistance to reduce airfreight costs for the export for agricultural goods.

- a. Could New Zealand explain why no amount related to this programme was reported either in 2019/2020 or 2020/2021?
- b. Please explain why New Zealand doesn't believe that a programme, contingent on exports, which subsidize airfreight costs for the export of agricultural goods is an export subsidy?

2.5.2 Norway (G/AG/N/NOR/117)

AG-IMS ID 99093: Question by Canada - Transparency issues

Canada notes that Norway submitted the last notification which covers its remaining export subsidy commitment under the Nairobi Ministerial Decision on Export Competition.

Could Norway confirm that it has eliminated all remaining export subsidies as of 31 December 2020?

2.5.3 United States of America (G/AG/N/USA/151)

AG-IMS ID 99022: Question by India - International food aid

India thanks the United States of America for its ES:3 notification for the year 2019/20 (G/AG/N/USA/151). India notices that for products "Rice" and "Oil Cakes", the quantity of food aid has increased from 81,940 tonnes to 114,100 tonnes for Rice and for Oil Cakes, the quantity of food

aid increased from 49,290 tonnes to 84,030 tonnes in comparison to ES:3 notification for the year 2018/19 (G/AG/N/USA/138). India would like to seek information on the following:

- a. Who all are the recipient Members of the food aid for these products?
- b. How does the USA ensure that physical food aid does not cause adverse effects on the recipient Members' agricultural industries, nor on their region's production and commercial markets of either like-products or substitute products?

3 DEFERRED REPLIES TO QUESTIONS ON NOTIFICATIONS

3.1 IMPORTS UNDER TARIFF AND OTHER QUOTA COMMITMENTS (TABLE MA:2)

3.1.1 Russian Federation (G/AG/N/RUS/27)

AG-IMS ID 99019: Question by India - Tariff quota fill

India requests the Russian Federation to provide a response to AG-IMS ID 98008. For convenience, the question is repeated below.

With respect to the Russian Federation's response to AG-IMS ID 93209, could the Russian Federation:

- a. elaborate on the market conditions resulting in under-fill?
- b. provide information on any efforts to improve administration to improve fill rates?

3.2 Domestic Support commitments (Table DS:1)

3.2.1 Russian Federation (G/AG/N/RUS/29)

AG-IMS ID 99021: Question by India - Non-product-specific AMS

India requests the Russian Federation to provide a response to AG-IMS ID 98022. For convenience, the question is repeated, as follows:

According to Russian Federation's DS:1 notification for the Calendar year 2018, two schemes by the name "Federal - Agricultural cargoes transportation on preferential terms" and "Sub-federal - Agricultural cargoes transportation on preferential terms" have been notified.

Given this, could the Russian Federation elaborate on the following:

- a. Which agricultural products are eligible to receive support under these programmes?
- b. Are these subsidies also available to exported products?

4 OVERDUE NOTIFICATIONS

4.1 China

AG-IMS ID 99004: Question by European Union

The latest DS:1 notification from China covers marketing year 2016. When does China intend to submit notifications for the following years?

4.2 United States of America

AG-IMS ID 99023: Question by India

India thanks the United States for providing a response to AG-IMS ID 98023. The USA mentioned that they are currently drafting their DS:1 notification for the year 2019-20. India would like to request the USA to provide the expected timeline when all these pending notifications will be issued.

5 DEDICATED DISCUSSION ON EXPORT COMPETITION

5.1 Brazil

AG-IMS ID 99035: Question by Canada

Secretariat Note (G/AG/W/125/Rev.14)

Could Brazil provide the Committee with an update on when it will submit its modified draft export subsidies schedule?

5.2 Canada

AG-IMS ID 99032: Question by United States of America

Export Credits

In response to AG-IMS ID 87045 Canada stated "Foreign Exchange Guarantee (FXG) - For the Export Development Corporation (EDC) the FXG is a working capital solution and as such Canada did not include it in the responses to the questionnaire given that the Nairobi Decision excludes working capital products from the definition of export credits." However, EDC's website (<u>https://www.edc.ca/en/solutions/working-capital/foreign-exchange-facility-guarantee.html</u>) implies that FXG is a foreign exchange hedging instrument.

Given the EDC's website characterization, please further clarify why Canada does not consider that FXG is a foreign exchange hedging instrument.

AG-IMS ID 99034: Question by United States of America

Export Credits

For all past notified years, please provide a product breakdown of programme use for the following agricultural product categories:

- "Commodities- Grain, Specialty Crops" and "Processor/Elevator-Grain, Specialty Crops", such as for barley, canola, corn, pulses, soy, and wheat; and
- "Food/Processed Food and Beverages", such as for butter, skim milk powder, cheese, and other milk products.

5.3 China

AG-IMS ID 99036: Question by Canada

Export financing (G/AG/W/125/Rev.14/Add.2)

Canada notes that the description of role of the China Agriculture Development Bank in addition to agricultural policy finance includes "promoting agriculture and rural development". Could China elaborate on how the China Agriculture Development Bank promotes agriculture and are these activities related to production?

AG-IMS ID 99037: Question by European Union

In document G/AG/W/125/Rev.14/Add.2, China indicates in its answer to the third question of the questionnaire that when it comes to short-term credit insurance of Sinosure, agricultural products are not specified in the projects. Hence no amount of export of agricultural products covered by short-term credit insurance of Sinosure is provided in the answer to the question. However, in China's answer to the fourth question of the questionnaire it is stated that under short-term credit insurance of Sinosure the underwriting amount for agricultural exports were 15.18 billion USD in 2019 and 12.23 billion USD in 2020 respectively.

How should this seemingly contradictory information be interpreted?

AG-IMS ID 99031: Question by United States of America

The United States notes China reported in questions 3 and 4 of the ECQ that SINOSURE offers short term credit insurance for agricultural exports. The United States seeks further clarity with regards to these responses.

In response to question 3 China states "Short-term credit insurance of Sinosure: it does not specify agricultural products for its projects".

a. Please clarify if this is part of why China responded "Nil" to question 8 "Programme use by product or product group".

In response to question 4, China states "Under short-term credit insurance of Sinosure: in 2019, the underwriting amount for agricultural exports was 15.18 billion U.S. dollars, and the underwriting premium was 38.009 million U.S. dollars, with an average rate of 0.25%. The 2020 figures are 12.23 billion U.S. dollars, 382.29 billion U.S. dollars and 0.31%".

b. Please confirm the underwriting amounts of USD 15.18 billion for 2019 and USD 12.23 billion for 2020 represent the total value of export of agricultural products covered by Sinosure's short-term credit insurance.

AG-IMS ID 99038: Question by United States of America

Please confirm the maximum repayment terms for Export-Import Bank of China's export financing programmes.

5.4 European Union

AG-IMS ID 99039: Question by United States of America

Export Credits – Italy

The United States notes Italy reported in the ECQ that SACE SpA – Italian Export Credit Agency offers supplier credit for agricultural products for 2020.

Please provide total value by agricultural commodity groups under SACE SpA's supplier credit programme for 2020.

AG-IMS ID 99040: Question by United States of America

Export Credits - Spain

The United States thanks Spain for the transparency provided in responding to the ECQ by providing 2020 data for the credit insurance programme offered for agricultural products by the Instituto de Crédito Oficial (ICO).

Please provide the annual average premium rate and value by agricultural commodity groups for 2020 under ICO's credit insurance programme.

AG-IMS ID 99041: Question by United States of America

International Food Aid

The United States notes the European Union response does not include information for Denmark, which is a signatory to the Food Assistance Convention (FAC).

Please provide Denmark's food aid data.

5.5 India

AG-IMS ID 99042: Question by Canada

Export financing (G/AG/W/125/Rev.14/Add.2)

India indicates that under the "credit risk insurance cover" that in addition to exports of cotton that "other agricultural and allied products" benefited from this programme. Could India provide more information on the agricultural products covered?

AG-IMS ID 99044: Question by European Union

- a. For clarity, does the total value of exports of agricultural products subject to the Export Credit Guarantee Corporation of India's Credit Risk Insurance cover in G/AG/W/125/Rev.14/Add.2 present the combined value for both calendar year 2019 and 2020?
- b. Could India please provide the values for 2019 and 2020 separately?

AG-IMS ID 99043: Question by United States of America

Export Credits

The United States appreciates India's transparency and first-time response to the ECQ, which is an important contribution in making the dialogue on export financing substantive in the Committee on Agriculture.

The United States notes India reported in the ECQ under ECGC's Credit Risk Insurance cover program, a total value of over \$4.07 billion in "Cotton, other Agriculture and allied products."

- a. Please provide a product breakdown of the "cotton, other Agriculture and allied products."
- b. If unable to provide data by product, please explain why such information cannot be provided and identify, which products are included in "other Agriculture and allied products."

AG-IMS ID 99045: Question by United States of America

International Food Aid

The United States notes India reported in the ECQ that it provided food aid to the Republic of Korea 1,585 MT of wheat.

Please clarify whether the food aid was for the Republic of Korea, including more details on the relevant needs assessment (and by whom) and whether food aid is responding to a declaration of emergency or an emergency appeal (and by whom).

5.6 Russian Federation

AG-IMS ID 99046: Question by United States of America

Export Credits

The United States notes the Russian Federation did not provide, as it was the case in previous years, the "annual average premium rates/fees per programme" for EXIAR and REB.

Please provide the annual average premium rates for EXIAR and REB.

AG-IMS ID 99047: Question by United States of America

Export Credits

As a follow up to AG-IMS IDs 92032 and 95138, please provide an update on the operational status of REC's export financing interest rate support programme for agricultural products.

5.7 Venezuela, Bolivarian Republic of

AG-IMS ID 99033: Question by Canada

Secretariat Note (G/AG/W/125/Rev.14)

Could the Bolivarian Republic of Venezuela provide the Committee with an update on when it will submit its modified draft export subsidies schedule?
