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Committee on Subsidies and Countervailing Measures

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SUBSIDIES

NEW AND FULL NOTIFICATION PURSUANT TO ARTICLE XVI:1 OF THE GATT 1994 AND ARTICLE 25 OF THE AGREEMENT ON SUBSIDIES AND COUNTERVAILING MEASURES

TRANSPARENCY NOTIFICATION CONCERNING THE EXTENSIONS PROVIDED FOR IN ARTICLE 27.4 OF THE AGREEMENT ON SUBSIDIES AND COUNTERVAILING MEASURES OF THE TRANSITION PERIOD FOR THE ELIMINATION OF EXPORT SUBSIDIES, GRANTED PURSUANT TO THE PROCEDURES IN THE GENERAL COUNCIL DECISION WT/L/691

BARBADOS

The following communication, dated 25 September 2013, is being circulated at the request of the Delegation of Barbados.

Barbados hereby submits to the Committee on Subsidies and Countervailing Measures its new and full notification under Article XVI:1 of GATT 1994 and Article 25 the Agreement on Subsidies and Countervailing Measures ("the Agreement"). We also submit this notification for purposes of transparency in the context of the extensions granted to Barbados under Article 27.4 of the Agreement, pursuant to the procedures in WT/L/691.

Information on the Fiscal Incentive Programme is not yet available. It will be provided as a supplement to this notification when it becomes available.

1. Title of Subsidy

Societies with Restricted Liability.

2. Period covered by Notification

For period 2012.

3. Policy and Objective and/or purpose of subsidy

There has been no change in the standstill arrangements.

4. Background and authority of subsidy

There has been no change in the standstill arrangements.

5. Form of Subsidy (i.e. grant, loan, tax concessions)

There has been no change in the standstill arrangements.

6. To whom and how is the subsidy provided

There has been no change in the standstill arrangements.

7. Subsidy per unit, or in cases where it is not possible, total amount or the annual amount budgeted for that subsidy

The subsidy for the 2012 period for this programme amounted to (BDS\$12,492,315.00) in respect of 3 companies.

8. Duration of subsidy and/or any time limits attached to it

There has been no change in the standstill arrangements.

9. Statistical Data permitting an assessment of the trade effects of a subsidy

Three (3) companies benefitted from this programme for the 2012 period.

1. Title of Subsidy

International Business Incentives.

2. Period covered by Notification

For period 2012.

3. Policy and Objective and/or purpose of subsidy

There has been no change in the standstill arrangements.

4. Background and authority of subsidy

There has been no change in the standstill arrangements.

5. Form of Subsidy (i.e. grant, loan, tax concessions)

There has been no change in the standstill arrangements.

6. To whom and how is the subsidy provided

There has been no change in the standstill arrangements.

7. Subsidy per unit, or in cases where it is not possible, total amount or the annual amount budgeted for that subsidy

The subsidy for the 2012 period for this programme amounted to (BDS \$1,045) in respect of 4 companies.

8. Duration of subsidy and/or any time limits attached to it

There has been no change in the standstill arrangements.

9. Statistical Data permitting an assessment of the trade effects of a subsidy

Four (4) companies benefitted from this programme for the 2012 period.

1. Title of Subsidy

Export Allowance.

2. Period covered by Notification

For period 2012.

3. Policy and Objective and/or purpose of subsidy

There has been no change in the standstill arrangements.

4. Background and authority of subsidy

There has been no change in the standstill arrangements.

5. Form of Subsidy (i.e. grant, loan, tax concessions)

There has been no change in the standstill arrangements.

6. To whom and how is the subsidy provided

There has been no change in the standstill arrangements.

7. Subsidy per unit, or in cases where it is not possible, total amount or the annual amount budgeted for that subsidy

The subsidy for the 2012 period for this programme amounted to (BDS \$432,309.80) in respect of 12 companies.

8. Duration of subsidy and/or any time limits attached to it

There has been no change in the standstill arrangements.

9. Statistical Data permitting an assessment of the trade effects of a subsidy

Twelve (12) companies benefitted from this programme for the 2012 period.

1. Title of Subsidy

Research and Development Allowance.

2. Period covered by Notification

For period 2012.

3. Policy and Objective and/or purpose of subsidy

There has been no change in the standstill arrangements.

4. Background and authority of subsidy

There has been no change in the standstill arrangements.

5. Form of Subsidy (i.e. grant, loan, tax concessions)

There has been no change in the standstill arrangements.

6. To whom and how is the subsidy provided

There has been no change in the standstill arrangements.

7. Subsidy per unit, or in cases where it is not possible, total amount or the annual amount budgeted for that subsidy

The subsidy for the 2012 period for this programme amounted to (BDS\$114,877.25) in respect of 5 companies.

8. Duration of subsidy and/or any time limits attached to it

There has been no change in the standstill arrangements.

9. Statistical Data permitting an assessment of the trade effects of a subsidy

Five (5) companies benefitted from this programme for the 2012 period.

ACTION PLAN TO REMOVE EXPORT SUBSIDIES PURSUANT TO WTO AGREEMENT ON SUBSIDIES AND COUNTERVAILING MEASURES

The General Council's Decision of July 2007 granted the use of prohibited subsidies as detailed in Article 3 of the Agreement on Subsidies and Countervailing Measures by developing countries until December 2015.

Continued use of such subsidies requires annual notification to the WTO, as well as an action plan detailing the measures being taken to eliminate the prohibited subsidies by 2015.

Barbados currently maintains five programs that have been deemed prohibited pursuant to Article 3 of the SCM Agreement. These are as follows:

- The Fiscal Incentive Programme
- The Societies with Restricted Liability
- The International Business Companies
- The Research and Development Allowance
- The Export Allowance Programme

In the action plan submitted for 2009 – 2010, Barbados would have indicated that a position paper, detailing proposed recommendations on how to deal with the offending programmes to bring them in line with the obligations of the SCM Agreement, was circulated among the private and public sector stakeholders that would be affected by the removal of the prohibited programmes. Collaboration with these stakeholders would facilitate a frictionless transition into the new programmes.

The Ministry of Industry, Small Business and Rural Development, which is the ministry responsible for the coordination of the efforts towards elimination of the prohibited subsidies, has received the comments on the position paper from the stakeholders. These comments and all proposed recommendations have been forwarded to the Office of the Solicitor General, with a view to determine any legal implications for the proposed recommendations. That Ministry has also engaged with the Office of the Solicitor General to develop the most legally appropriate way to formulate the proposed revisions.

Foreign Trade Division
Ministry of Foreign Affairs and Foreign Trade
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