



Committee on Agriculture

POINTS RAISED BY MEMBERS UNDER THE REVIEW PROCESS

COMPILATION OF QUESTIONS FOR THE MEETING ON 4 MARCH 2015¹

The present document compiles questions received by the Secretariat by the deadline of 18 February 2015 as specified in WTO/AIR/AG/1.

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 or obligations under the WTO.

Table of contents

1 MATTERS RELEVANT TO THE IMPLEMENTATION OF COMMITMENTS:	
ARTICLE 18.6	4
1.1 Trends in Domestic Support	4
1.1.1 Statement by Canada (AG-IMS ID 76026)	4
1.2 Brazil's domestic support programmes.....	4
1.2.1 Question by United States of America (AG-IMS ID 76039)	4
1.3 Canada's tariff-rate quota for cheese.....	4
1.3.1 Question by New Zealand (AG-IMS ID 76023).....	4
1.4 Canada's dairy policies	5
1.4.1 Question by United States of America (AG-IMS ID 76049)	5
1.5 China's cotton domestic support	5
1.5.1 Question by United States of America (AG-IMS ID 76051)	5
1.6 Costa Rica's compliance with AMS commitments	5
1.6.1 Question by United States of America (AG-IMS ID 76052)	5
1.7 India's cotton policies.....	6
1.7.1 Question by United States of America (AG-IMS ID 76053)	6
1.8 India's sugar export subsidies	6
1.8.1 Question by Australia (AG-IMS ID 76016)	6
1.8.2 Question by Colombia (AG-IMS ID 76050).....	7
1.8.3 Question by European Union (AG-IMS ID 76025).....	7
1.9 India's exports of cereals and rice.....	7
1.9.1 Question by European Union (AG-IMS ID 76027).....	7
1.10 Pakistan's wheat export subsidies	8
1.10.1 Question by Australia (AG-IMS ID 76020).....	8
1.10.2 Question by European Union (AG-IMS ID 76028)	8
1.11 Russia's agricultural support for 2015	8
1.11.1 Question by United States of America (AG-IMS ID 76054).....	8
1.12 Russia's grain exports	9
1.12.1 Question by European Union (AG-IMS ID 76029)	9
1.13 Thailand's sugar policies	9
1.13.1 Question by Australia (AG-IMS ID 76021).....	9
1.13.2 Question by Brazil (AG-IMS ID 76001)	9
1.13.3 Question by European Union (AG-IMS ID 76033)	10
1.14 Thailand's paddy pledging scheme.....	11
1.14.1 Question by United States of America (AG-IMS ID 76058).....	11
1.15 Turkey's destination of wheat flour sale.....	12
1.15.1 Question by United States of America (AG-IMS ID 76059).....	12
1.16 U.S. Export Credit Guarantee Programme.....	12
1.16.1 Question by Australia (AG-IMS ID 76017).....	12

2 POINTS RAISED IN CONNECTION WITH INDIVIDUAL NOTIFICATIONS	13
2.1 ADMINISTRATION OF TARIFF AND OTHER QUOTA COMMITMENTS (TABLE MA:1).....	13
2.1.1 Korea, Republic of (G/AG/N/KOR/51).....	13
2.2 IMPORTS UNDER TARIFF AND OTHER QUOTA COMMITMENTS (TABLE MA:2).....	13
2.2.1 Canada (G/AG/N/CAN/103).....	13
2.2.2 Korea, Republic of (G/AG/N/KOR/50).....	13
2.3 DOMESTIC SUPPORT COMMITMENTS (TABLE DS:1).....	13
2.3.1 Australia (G/AG/N/AUS/89).....	13
2.3.2 Botswana (G/AG/N/BWA/20).....	14
2.3.3 Brazil (G/AG/N/BRA/37).....	14
2.3.4 European Union (G/AG/N/EU/20).....	15
2.3.5 India (G/AG/N/IND/10, G/AG/N/IND/10/CORR.1).....	15
2.3.6 Indonesia (G/AG/N/IDN/34).....	19
2.3.7 Korea, Republic of (G/AG/N/KOR/53).....	19
2.3.8 Russian Federation (G/AG/N/RUS/5).....	19
2.3.9 United States of America (G/AG/N/USA/93).....	19
2.3.10 United States of America (G/AG/N/USA/100).....	20
2.4 NEW OR MODIFIED DOMESTIC SUPPORT MEASURES (DS:2).....	21
2.4.1 Brazil (G/AG/N/BRA/34).....	21
2.4.2 Canada (G/AG/N/CAN/99).....	22
2.5 EXPORT SUBSIDY NOTIFICATIONS (TABLES ES:1, ES:2 AND ES:3).....	22
2.5.1 European Union (G/AG/N/EU/22).....	22
2.5.2 Mauritius (G/AG/N/MUS/4).....	23
2.5.3 Switzerland (G/AG/N/CHE/71).....	23
2.5.4 United States of America (G/AG/N/USA/99).....	23
3 OVERDUE NOTIFICATIONS.....	24
3.1 China.....	24
3.2 Turkey.....	24

1 MATTERS RELEVANT TO THE IMPLEMENTATION OF COMMITMENTS: ARTICLE 18.6

1.1 Trends in Domestic Support

1.1.1 Statement by Canada (AG-IMS ID 76026)

Canada will introduce a Cairns Group paper on trends in domestic support.

1.2 Brazil's domestic support programmes

1.2.1 Question by United States of America (AG-IMS ID 76039)

It has been nearly three years since the United States first requested information on the quantities of specific products shipped to specific destinations, including both domestic and export destinations under the Prêmio para Escoamento do Produto (PEP) and Prêmio de Equalização pago ao Produtor (PEPRO) programmes. In response to U.S. question AG-IMS ID 74021, Brazil indicated that CONAB is working on improving its control mechanism so as to be able to provide data covering more recent periods and has repeatedly noted that the requested data would be available soon. In response to U.S. question AG-IMS ID 75023, the United States notes that Brazil has no deadline to conclude the process of collecting the relevant information.

- a. Has Brazil concluded the process of collecting the relevant information in order to provide the data requested?
- b. If not, please provide an update on this process, including the specific limitations that remain in being able to provide the requested information as noted in AG-IMS 66002 and 74021.
- c. Does Brazil have a deadline for CONAB to provide the central government with this information? If not, why?
- d. By what date can the United States expect this data? In response to U.S. questions AG-IMS ID 74021 and 75023, Brazil stated that the PEP reassessment is still in progress.
- e. Please provide any updates on the reassessment and whether any deadlines are set for this process.
- f. Please confirm that the programme remains suspended.
- g. Given the similarity in the manner in which the PEP and PEPRO programmes operate, is there any plan to conduct a reassessment of the PEPRO programme?

1.3 Canada's tariff-rate quota for cheese

1.3.1 Question by New Zealand (AG-IMS ID 76023)

At the last Committee meeting a number of Members sought further information around proposed changes to Canada's WTO tariff quota for cheese as part of the Comprehensive Economic and Trade Agreement (CETA) between Canada and the European Union. New Zealand's concern was, and remains, that the proposed change would unilaterally reduce the quantity of market access available to WTO members, and would be inconsistent with Canadian commitments under the WTO, including fundamental MFN obligations.

What steps is Canada taking to ensure that any changes are consistent with Canada's WTO commitments and do not unilaterally disadvantage other WTO Members?

1.4 Canada's dairy policies

1.4.1 Question by United States of America (AG-IMS ID 76049)

The United States continues to be concerned at the proliferation of Canada's special milk pricing classes, now reaching 39 different classes. Domestic food and industry processors appear to receive a special milk class permit to purchase dairy inputs at a subsidized price, predicated on a declaration that a competitive like-product has been imported into Canada. These special milk prices range from whey used in animal feed to cheese used in the manufacturing of further processed products, such as frozen pizzas. These products are produced using the heavily discounted dairy inputs and are then sold in domestic and foreign markets.

- a. Please provide the Committee with the amount of direct subsidy assumed by consumers through the price supports determined by the Canadian Dairy Commission (CDC) and used by the provincial milk marketing boards to determine costs of dairy ingredients.
- b. Please explain what the CDC's responsibilities and duties are with regards to the pools.

The United States notes the increased investment in recent years to expand Canada's domestic manufacturing of frozen processed products containing cheese, in particular frozen pizza manufacturing, eligible for Special Milk Class (SMC) prices which displaces and substitutes imports from trading partners with duty-free access. The United States also notes the increase in Canadian exports of frozen processed products containing cheese, in particular frozen pizzas, to other markets.

- c. Please explain what assumptions are used when the CDC estimates the amount of milk that will go into special classes (class 5) when it sets the target for industrial milk?

1.5 China's cotton domestic support

1.5.1 Question by United States of America (AG-IMS ID 76051)

According to the International Cotton Advisory Committee, China has been the largest cotton subsidizer since 2009/2010. The amount of support provided peaked at nearly USD 6 billion in direct assistance in 2012/2013 and was only slightly lower in 2013/2014. The level of support far exceeds the support provided by other Members. While it is true that China's minimum support price did not immediately have a large negative impact on world markets, given that China continued to import and stockpile cotton, it appears the long-term impacts may differ. China is the world's largest producer, consumer, and importer of cotton. A change in any of these variables can have significant impacts on world markets.

The United States notes that China recently announced its plans not to expand the TRQ for cotton in 2015. While there is no obligation for China to expand its TRQ, please provide an update to China's response to AG-IMS ID 73035 following the March 2014 question, noting the changing market conditions and that cotton imports to China declined from 5.1 million tonnes in 2012 to 4.1 million tonnes in 2013 to 2.4 million tonnes in 2014, and will likely fall close to the TRQ in-quota quantity of 0.894 million tonnes in 2015.

1.6 Costa Rica's compliance with AMS commitments

1.6.1 Question by United States of America (AG-IMS ID 76052)

The United States thanks Costa Rica for its transparency through the years on its domestic support, which Costa Rica has notified since 2007 as being in excess of its WTO commitment level.

- a. The United States requests an update as well as responses to the following unanswered questions about Costa Rica's price support programme for rice (AG-IMS 74023, AG-IMS 73037, AG-IMS 71030, AG-IMS 72050, and AG-IMS 75031).
- b. Will producers be able to sell outside of the new system? If not, on what basis does CONARROZ have the authority to compel producers to participate in the new system?

- c. What is Costa Rica's timeline for publishing these new policies and for notifying them to the WTO? Please provide an update to Members on these policies.

1.7 India's cotton policies

1.7.1 Question by United States of America (AG-IMS ID 76053)

According to the Chairman of the Cotton Corporation of India (CCI), the CCI is set to lose about INR 20-25 billion (USD 322-403 million) this year because India's minimum support price exceeds market prices. The CCI is expected to be reimbursed by the Indian government for any losses incurred. The CCI Chairman noted China's recent shift in demand as a contributing factor to the decrease in global cotton prices and expressed hope for market stability. India's production of cotton has far outpaced its domestic consumption. The United States notes that India increased the minimum support price for cotton again in 2015 and is, after more than a decade of growth, estimated to become the world's largest cotton producer and remains the second largest global exporter. The Chairman of CCI has stated that CCI is expecting to procure a record quantity of cotton, estimated at approximately 10 million bales.

- a. What was the basis for increasing the minimum support price for cotton, particularly given the reduced import demand in China, falling world cotton prices, and record or near record Indian production?
- b. Is India taking specific steps to ensure that the release of its cotton stocks does not further exacerbate international cotton markets, either due to direct export sales or market leakage? If yes, please specify and explain the steps India is undertaking in this regard. The United States notes that similar market conditions occurred in 2008/2009 when India also procured significant quantities of cotton, estimated at approximately 40% of production. According to the International Cotton Advisory Committee, India then provided USD 26 million in export subsidies to reduce its stocks.
- c. Please affirm India's commitment to not use export subsidies or export at below the cost of procurement to dispose of cotton stocks.

1.8 India's sugar export subsidies

1.8.1 Question by Australia (AG-IMS ID 76016)

Australia acknowledges India's response to Australia's questions at the 75th Committee on Agriculture (AG-IMS ID 75028) in relation to its sugar export subsidies. Australia has stated its concerns regarding the WTO-inconsistency of these measures on a number of occasions.

- a. Australia understands from media reports that the Indian government is considering an increase to the rate of subsidy from Indian Rupees (INR) 3,371 to INR 4,000 per tonne for the current sugar season. This is close to 20% of the current world price per tonne. Can India please provide a further update to the Committee on Agriculture on the Sugar Development Fund (Amendment) Rules 2014, especially in relation to published information about the value of export subsidy ("incentive") paid per tonne?
- b. In the response to AG-IMS ID 75028, India stated that there is currently no budget provision or outlay with respect of payment of incentives under the sugar export subsidy programme:

If the programme is unfunded, and no incentives are being paid, what has been the rationale for the cycle of bi-monthly review, which has seen the rate of subsidy adjusted three times (INR 2,277, INR 3,300 and INR 3,371) since the programme was established in February 2014?
- c. If subsidy payments have been made since the 75th Committee on Agriculture, can India provide the total value of export subsidy budgetary outlays (INR), as well as the volume and value (INR) of raw sugar exports that have been subject to incentive payments?

Can India also provide the number of applications received for payment of the export subsidy, including the number of applications received but yet to be paid?

- d. If no export subsidy has been paid, why does not India move to abolish the programme?

1.8.2 Question by Colombia (AG-IMS ID 76050)

According to the media, the Indian government is considering approving an increase in the export subsidy for raw sugar granted to sugar mills from INR 3,300 per tonne to INR 4,000 per tonne for the 2015 season. Colombia is concerned about the impact that these statements are having on the world sugar market, which is exacerbated by the fact that India is the world's third largest exporter of sugar, according to the information provided by the WTO Secretariat in document G/AG/W/32/Rev.14. In order to provide Colombia's producers and exporters with more detailed information, Colombia would welcome replies from India to the following questions:

- a. Would India confirm that it did not grant export subsidies for raw sugar in 2014? If it did, how much were these subsidies in terms of quantities and budgetary outlays?
- b. What are the Indian government's grounds for contemplating an increase of this subsidy to INR 4,000 per tonne for 2015?
- c. How has India considered fulfilling the commitment undertaken at the 9th Ministerial Conference to exercise utmost restraint in using export subsidies and any measures having equivalent effect?

1.8.3 Question by European Union (AG-IMS ID 76025)

Press articles from the end of January indicate that Indian Food Ministry has approved a proposal to increase the export subsidy on raw sugar to INR 4,000 per tonne for the export of up to 1.4 million tonnes of sugar.

Could India confirm that such export subsidies have indeed been approved and explain how this measure, which was re-activated after its first introduction in February last year, complies with the Indian export subsidy commitments?

1.9 India's exports of cereals and rice

1.9.1 Question by European Union (AG-IMS ID 76027)

In reply to the question from the European Union at the meeting of the Committee on Agriculture in November 2014 (AG-IMS ID 75020), India stated there have been no exports from government stocks. However, the web page of Food Corporation of India (<http://fciweb.nic.in/upload/Import/export%20web1.pdf>) publishes data on the exports of food grains (wheat and rice) on government account since 1980-1981, according to which India has exported food grains in most of the years during the period in question. In addition, the report of the High Level Committee on Reorienting the Role and Restructuring of Food Corporation of India not only confirms the Indian exports of food grain from the stocks (42 million metric tonnes of cereals were exported during 2012-2013 and 2013-2014) but also suggests establishing a system whereby exports of stocks would automatically kick in whenever the level of buffer stocks exceed the target quantity.

- a. In the light of this, the European Union remains concerned about the potential adverse spill-over effects of the stockholding operations aimed at maintaining stocks of food grains and asks India to explain how it intends to address them in line with its WTO commitments.
- b. The European Union would also appreciate detailed information from India about exports of food grains upon releasing from the stocks, including destinations and prices. The European Union would also ask India to provide data on how the export of grain stocks complies with the Indian WTO commitments on export subsidies given Article 9.1(b) of the Agreement on Agriculture.

1.10 Pakistan's wheat export subsidies

1.10.1 Question by Australia (AG-IMS ID 76020)

Australia understands that the Pakistan government has recently decided to provide export subsidy payments for wheat exports. If this is the case, can Pakistan:

- a. Advise when the export subsidy payments will commence and how long the export subsidy programme is scheduled to run?
- b. Advise how much export subsidy has been paid to date and how much volume has been exported under the export subsidy programme?
- c. Advise the product or products (by HS code) that the subsidy applies to, and the subsidy rate per tonne?
- d. Advise how much in total has been budgeted for the export subsidy programme?
- e. Advise which markets are expected to receive subsidized wheat exports from Pakistan?
- f. Advise when the export subsidy programme will be notified to the Committee on Agriculture?
- g. Reaffirm its recognition that all forms of export subsidies are highly trade distorting forms of support, in accordance with the Bali 2013 Ministerial Declaration on Export Competition?

1.10.2 Question by European Union (AG-IMS ID 76028)

According to an article in "The Express Tribune" on the 23 January 2015, the Pakistani Economic Coordination Committee approved a subsidy of about PKR 5 billion for the export of 1.2 million tonnes of wheat and imposed a ban on the import of wheat by-products.

Could Pakistan indicate how these measures comply with Pakistan's WTO commitments, in particular Article 8 of the Agreement for Agriculture for the subsidy and Article 4.2 of the Agreement on Agriculture for the import ban?

1.11 Russia's agricultural support for 2015

1.11.1 Question by United States of America (AG-IMS ID 76054)

On 28 January 2015, the Russian government issued its "Plan of Priority Measures to Ensure Sustainable Economic Development and Social Stability in 2015" (Plan). The Plan outlines a number of steps to be taken by the Russian government to "ensur[e] sustainable economic development and social stability" during the current economic difficulties. Of relevance to this Committee, the Plan sets forth numerous steps to support the agriculture sector, including the provision of up to 50 billion roubles (approximately USD 760 million) from the federal budget in 2015 to support the agricultural sector.

- a. Please provide a detailed overview of the specific programmes that will be funded through this Plan and targeted at the agriculture sector.
- b. If there are non- or minimally trade distorting support policies, when does Russia plan to submit Table DS:2 notifications?

1.12 Russia's grain exports

1.12.1 Question by European Union (AG-IMS ID 76029)

The European Union has learned from the media reports that Russia has stopped issuing phytosanitary certificates for grain exports to most destination countries thus imposing a de facto export restriction. It was further reported that, pursuant to an act of government adopted on 26 December, Russia imposed an export duty on wheat of 15% plus EUR 7.5, or at least EUR 35 per tonne starting 1 February 2015.

- a. Could Russia confirm that such measures have been applied and give further detailed information about the measures, including the destinations concerned and justifications?
- b. Does Russia intend to notify the measures to the WTO as required by Article 12.1(b) of the WTO Agreement on Agriculture?
- c. Were the export restrictions in question applied on an MFN basis?

1.13 Thailand's sugar policies

1.13.1 Question by Australia (AG-IMS ID 76021)

According to the press article, "government to slash rice crop, sell stockpiles to cut glut", in the Bangkok Post 2 February 2015 (see <http://www.bangkokpost.com/business/news/464229/thailand-to-slash-rice-crop-sell-stockpiles-to-cut-glut>), the Thai government is to provide incentives to cut rice production by up to 34 million tonnes for the 2016-2017 cropping year. These incentives are said to include shifting production away from rice and into sugar cane, and are in response to over-production of rice caused by the government's former market price support for rice producers. The market price support has reportedly led to very large stockpiles of rice.

- a. Can Thailand comment on the veracity of this report and confirm if the intention of the government is to reduce rice production and end market price support programmes for rice?
- b. Can Thailand explain what policy tools will be utilized to try and achieve this outcome, and indicate what incentives, if any, will be provided to move rice growers into sugar cane production?

1.13.2 Question by Brazil (AG-IMS ID 76001)

- a. According to the Three-Month Progress Report of the National Council for Peace and Order (NCPO), dated September 2014, "As for the low sugar cane prices, the NCPO has approved the increase of sugar cane prices for production year 2013/2014, to THB 160 per tonne, that will be directly paid to farmers that have sent their goods to the sugar factories totalling 103.67 million tonnes. This has resulted in over 300,000 sugar cane producers receiving higher dividends from their produce, which will serve as an ongoing basis to develop both the sugar cane industry and sugar manufacturing industry systematically". Would the Thai government be able to provide information on how long this payment has been provided to farmers? Could the Thai government confirm if this payment is applicable to all sugar cane production of the corresponding crop season for which it was announced? Could the legislation that provided the basis for these payments be made available?
- b. Thailand provided its last notification on domestic support in April 2014 (G/AG/N/THA/75), regarding the 2008 calendar year. Does the Thai government intend to present updated notifications? Will the payments for sugar cane price support be included in the coming Thai domestic support notifications?
- c. According to the aforementioned NCPO Progress Report, the 160 bath per tonne price will be applied to 103.67 million tonnes of sugar cane delivered to sugar factories,

totalling THB 16.59 billion to be paid through the Cane and Sugar Fund (CSF). Sugar factories have to contribute to the CSF with a levy of THB 5 per tonne of sugar sold in the domestic market (2.6 million tonnes of sugar), amounting to THB 13 billion. It is therefore possible to conclude that the total amount spent with sugar cane price support is considerably higher than the contributions of the factories to the CSF. Could the Thai government provide information on how the CSF is funded in order to bear the cost of payments for sugar cane price support? Given that the amount collected through the CSF levy is lower than the amount necessary for the payments, please explain how this difference is financed.

- d. According to different statistical sources, sugar cane planted area in Thailand has been growing in recent years. US Department of Agriculture reports indicate that the cane planted area has grown from 1.28 million hectares in crop season 2011/2012 to 1.51 million in the current season (2014/2015). Could Thailand provide statistics on its planted area and total production from 2011/2012 until now?
- e. According to the Department of Internal Trade, Ministry of Commerce of Thailand, minimum prices for sugar for domestic market are required by the Price of Good and Service Act (1999). How are minimum prices for domestic market related to export prices? Are domestic minimum prices higher than export prices?
- f. Could the Thai Government provide information on farm gate sugar cane production and transportation costs to the factories?
- g. According to market sources, Thailand has accumulated a large amount of sugar stocks. Could the Thai government please inform whether these sugar stocks belong to the private or the public sector? Given that Quota A determines the quantity of sugar to be delivered to the domestic market, is it correct to assume that the exceeding stocks will be necessarily exported?
- h. The Thai government intends to induce producers to switch from rice to sugar cane in determined regions, according to market sources. Could Thailand confirm that this is the case? If so, what policy instruments will be used to achieve this crop switch? What are the main economic reasons that would justify it? Would sugar cane be more profitable for Thai farmers than rice? Why?

1.13.3 Question by European Union (AG-IMS ID 76033)

The European Union thanks Thailand for their reply to its questions of November 2014 (AG-IMS ID 75105). The European Union would seek further information on the operation and administration of Thailand's sugar policy. Thailand states that the operation and administration of Thailand's sugar industry are not controlled by the government. It is also stated that there is a ceiling price for Quota X for retail sale and that Quota Y is the quantity for export by Thai Cane and Sugar Corporation Limited. In the light of this, could Thailand explain:

- a. Whether ceiling prices for Quota X and minimum farm gate prices of sugarcane are set by the government?
- b. What are the administrative prices for domestic sugar in comparison to export prices during the most recent five years for which the data is available?
- c. Whether administrative prices for domestic sugar are affecting the quantities of sugar exported?
- d. Whether Thai Cane and Sugar Corporation Limited, which exports Quota Y sugar, has received any support from the government, including government financing, preferential access to capital, underwriting of losses or write-offs of debts; and whether any special legislative privileges have been granted to this company)?
- e. If so, whether Thailand intends to notify it to the WTO pursuant to Article XVII:4(a) of the GATT?

1.14 Thailand's paddy pledging scheme

1.14.1 Question by United States of America (AG-IMS ID 76058)

In June 2014 and November 2014, Thailand was unable to provide answers to some of the U.S. questions in AG-IMS ID 74050 and AG-IMS 75036 regarding Thailand's Paddy Pledging Scheme, which was terminated as of 28 February 2014. The United States repeats the questions.

The United States notes that the administered price under the Paddy Pledging Scheme was THB 14,400 per tonne for the main crop, but since the programme was discontinued, market prices in Thailand have fallen dramatically to approximately THB 7,000 per tonne. The United States understands that Thailand procured 11.6 million metric tonnes at a cost of THB 190 billion (USD 5.8 billion) in 2013/2014.

- a. Please confirm the quantity of paddy rice Thailand procured under the Paddy Pledging Scheme for the main crop of MY 2013/2014. If reported figures are incorrect, please provide the correct figures.
- b. Please confirm whether the cost of the Main-Crop Rice Paddy Pledging Program is THB 190 billion (USD 5.8 billion) for MY 2013/2014. If this is incorrect, please provide the correct cost.

Further, the United States notes that Thailand conducted a tender of 203,000 metric tonnes on 28 October 2014 and a tender of 400,000 metric tonnes on 22 December 2014. The United States notes that market prices are far less than the administered prices at which stocks were procured. In addition, the United States notes the dramatic decline in market prices in 2014.

- c. Please confirm whether any tenders were exported and provide any publically available information with regard to the sales price of these tenders.

New questions:

On 25 November 2014, the Thai Government approved an on-farm pledging programme (the "Farmer Loans to Delay the sales of Rice Paddy for MY 2014/2015"). The programme appears to operate in the same manner as the former Paddy Pledging Scheme did, but with several limitations, such as lower intervention prices, and limits on procurement areas and on eligibility, which is limited to the main-crop production.

- d. Given that Thailand has introduced several other rice programmes, what was the reason for adopting this pledging programme?
- e. Is there any limitation on the overall quantity of rice that may be purchased under the programme?

On 2 October 2014, the Thai government approved THB 40 billion (USD 1.3 billion) for direct payments to rice producers with payments up to USD 195 per hectare. The United States understands the payments will be based on farm size.

- f. Are the direct payments a one-time offering or does Thailand expect to provide similar payments in the future?
- g. Please explain how farm size is determined and on what period of time the payments are based.

Thailand has also adopted an input subsidy programme under the Rice Farmer Assistance Program. The subsidy will be available for fertilizers, pesticides/insecticides, seeds, machinery, and land, totalling up to THB 582 per rai (USD 111 per hectare).

- h. Please provide additional details with regard to how this programme operates.

- i. Please indicate whether this programme will continue to operate along with the new on-farm pledging programme.

In the response to question AG-IMS 75036, Thailand said it "would like to confirm that under the rule and policy of the Ministry of Commerce, the Department of Foreign Trade is to conduct tenders to release the rice from the stock without any negative effect to the rice market. Any tenders with unreasonably lower than market prices will not be accepted by the government."

- j. Please explain how "unreasonably lower than market prices" are determined.

1.15 Turkey's destination of wheat flour sale

1.15.1 Question by United States of America (AG-IMS ID 76059)

Turkey has not yet responded to questions from the November meeting that were originally posed on the floor during the June 2014 meeting. The United States repeats them.

- a. Please explain the TMO Sales Regulation (Code of Practice for Grain Sales after Export to Product Manufacturer-Exporters) that allows TMO to make sales to inward processing certificate holders at world prices. Please provide details on any other measures that operationalize the TMO.
- b. Public records indicate annual sales of TMO wheat sales to inward processing certificate holders over the past several years. Does Turkey confirm that TMO sells domestic wheat to Turkey flour millers that export flour and hold inward processing certificates? If so, please provide wheat purchase and wheat sales prices for these transactions for the last three years.
- c. Please describe any government control or verification requirements for inward processing of wheat flour.
- d. The United States appreciates Turkey's response on exported flour and imported wheat as shown in the table (Annex 2 in G/AG/W/106; AG-IMS ID 73042). Are all of the quantities listed imported and exported through the inward processing system? If not, please elaborate on this table by stating how much of the imports and exports were through the inward processing system.
- e. In AG-IMS ID 73042, the United States requested data concerning both the quantity and quality of wheat imports and flour exports under Turkey's inward processing system. In response, Turkey provided data concerning only the quantity of such imports and exports. Please provide data for the last three years listing the quality of wheat imported and the quality of wheat flour exported under Turkey's inward processing system.
- f. Please confirm that the sale and trading of inward processing certificates received for exporting products occurs and is allowed under Turkey's regulations. Please also provide any measures that regulate this process.

1.16 U.S. Export Credit Guarantee Programme

1.16.1 Question by Australia (AG-IMS ID 76017)

Australia understands that the FY2015 US Export Credit Guarantee Program (GSM-102) country/region allocations provide an allocation for export credit guarantees to the Republic of Korea (ROK) to the value of USD 400 million. The allocation for the ROK is the single largest Commodity Line 1 allocation, being larger than the export credit for Africa/Middle East and larger than South America. See <http://www.fas.usda.gov/programs/export-credit-guarantee-program-gsm-102/gsm-102-allocations>.

- a. Could the United States please advise what products does GSM-102 finance to the ROK and in what volumes, for years 2012-2013 and 2013-2014?

- b. What particular disadvantage do United States exporters face in obtaining commercial export credit for exports of agricultural products to the ROK?
- c. What proportion of total U.S. agricultural exports to the ROK are assisted by the GSM 102 programme?
- d. What percentage of U.S. agricultural exports to the ROK , by product category, are assisted by the GSM 102 programme?

2 POINTS RAISED IN CONNECTION WITH INDIVIDUAL NOTIFICATIONS

2.1 ADMINISTRATION OF TARIFF AND OTHER QUOTA COMMITMENTS (TABLE MA:1)

2.1.1 Korea, Republic of (G/AG/N/KOR/51)

AG-IMS ID 76055: Question by Peru - Transparency issues

- a. Could Korea please explain in detail how tariff quotas for quinoa are allocated?
- b. Peru would like to know whether Korea has an official website in English on which the tariff quota fill rate can be consulted in real time.

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

2.2.1 Canada (G/AG/N/CAN/103)

AG-IMS ID 76056: Question by Peru - Transparency issues

- a. Could Canada please provide details on how General Import Permit #1 operates?
- b. Why is the tariff quota fill rate over 100% for certain products, such as wheat, barley, eggs and chicken?

2.2.2 Korea, Republic of (G/AG/N/KOR/50)

AG-IMS ID 76022: Question by Australia - Tariff quota fill

Can Korea please provide the tariff quota fill rates for each tariff line in line with the Bali Decision on Tariff Rate Quota Administration?

2.3 DOMESTIC SUPPORT COMMITMENTS (TABLE DS:1)

2.3.1 Australia (G/AG/N/AUS/89)

AG-IMS ID 76040: Question by India - Direct payments: income insurance and income safety-net programmes

In response to India's question (AG-IMS ID 75043), Australia has provided details of the Farm Management Deposit Scheme (FMDS). However, Australia has not provided the relevant information on how this scheme complies with the requirements of paragraph 7 of Annex 2 of the Agreement on Agriculture. Australia is again requested to provide this information. In particular, could Australia indicate how the scheme ensures that the eligibility for the scheme is determined by an income loss exceeding 30%?

AG-IMS ID 76041: Question by India - Direct payments: payments for relief from natural disasters

In response to India's question (AG-IMS ID 75046), Australia has stated that "due to the nature of the severity of drought required for EC to be declared, production losses are likely to be greater than those described in Annex 2, paragraph 8". Could Australia confirm that if production losses are less than those described in Annex 2, paragraph 8, such payments will not be classified under Annex 2 of the Agreement on Agriculture?

2.3.2 Botswana (G/AG/N/BWA/20)

AG-IMS ID 76060: Question by United States of America - Input subsidies available to low-income or resource-poor producers

What is the definition or criteria that Botswana uses to classify low income or poor resource farmers?

2.3.3 Brazil (G/AG/N/BRA/37)

AG-IMS ID 76062: Question by United States of America - Transparency issues (including Table DS:2)

The United States appreciates the inclusion of the note to Supporting Table DS:7 indicating all of the products that are part of Brazil's various product-specific support programmes, including Market Price Support. The United States believes that notes, such as these, in Members' notifications provide greatly improved transparency with regard to the general state of agricultural support in a country compared to notifications that simply state only those items with a budgetary outlay or other calculated measure of support. For example, Brazil's notification makes clear that government funding targeted at market price support programmes is, in part, dependent on forecast prices.

- a. Noting that Brazil may provide funding to support programmes, including market price support, of these various products in any given year, please describe whether the government will re-evaluate funding for a given product if market prices fall significantly below the expected levels when the initial funding is determined.
- b. The note to Supporting Table DS:7 states that some products have the right to be supported only in specific states or regions. Does this indicate that state or regional funding exists or does it mean that federal funding is limited to certain areas?
- c. The United States notes that the PEP programme was used for both grapes and oranges in 2012 and PEPRO was used for oranges. Can Brazil provide any information on the quantities of product purchased under both these programmes that were sold domestically and were exported?

AG-IMS ID 76030: Question by Canada - General services: extension and advisory services

Canada notes that "Support for projects of agricultural development" notified under extension and advisory services has increased substantially in 2012/2013 from USD 278.7 million in 2011/2012 to USD 998.6 million in 2012/2013. Could Brazil please provide details on this significant increase in spending including the types of projects that benefit this funding? What sort of agricultural development is targeted?

AG-IMS ID 76031: Question by Canada - General services: marketing and promotion services

Canada notes that under marketing and promotions services, "support for marketing projects" has increased significantly in 2012/2013 from USD 2.4 million in 2011/2012 to USD 21 million in 2012/2013. Could Brazil please elaborate on the reasons for this change in expenditure?

AG-IMS ID 76061: Question by United States of America - Input subsidies available to low-income or resource-poor producers

The United States notes that Brazil provides "Funds for variable input acquisitions". The United States also notes that Brazil stated in response to AG-IMS 66025 that the definition of low-income or resource-poor producers is identical to that of "family farming" in Brazil, which is: The three criteria to define family farming (low-income or resource-poor producers): i) limitation in the size of the land (four module size); ii) most part of the family revenue must come from the agricultural activity; and iii) the business is operated by the family with predominance of its own labour force. The definition was established by Law 11326/2006 and its amendments.

- a. Please provide more detail with regard to the land limitations ("four module size"). The United States understands these vary by location, and would appreciate several

examples in states such as Mato Grosso, Tocantins, Parana, Mato Grosso do Sul, Goias, and Minas Gerais.

- b. Do size limitations vary by commodity?
- c. Are there any limits on total income?
- d. What is the median income of these farmers in Brazil? Please also provide examples for median income in the states noted in question a.

AG-IMS ID 76034: Question by Canada - *De minimis*

Canada notes that the total Value of Production (VOP) figure used to calculate the *de minimis* threshold is on a provisional basis. Could Brazil please advise when they intend to provide the actual total VOP figure? Will the other product-specific figures need to be revised as well?

AG-IMS ID 76036: Question by Canada - Classification of measures

Canada notes that "Funds for input subsidies" is no longer included in Brazil's Supporting Table DS:2 (special and differential treatment). However, a new item has been added to Brazil's Supporting Table DS:9 (Non-product specific support) also entitled "Funds for input subsidies". Could Brazil please indicate whether the programme under supporting table DS: 2 has been terminated or has it been re-classified under supporting table DS: 9 as non-product specific? If the latter is true, could Brazil elaborate on the reasons for this change in classification?

2.3.4 European Union (G/AG/N/EU/20)

AG-IMS ID 76032: Question by Canada - Public stockholding for food security purposes

Canada notes an important decrease in support for "Public Stockholding for Food Security Purposes" in 2011/2012. Could the European Union provide details on this substantial drop in payments?

AG-IMS ID 76037: Question by Canada - Payments based on fixed areas or yields

Could the European Union provide details on the significant drop in payments for transitional fruit and vegetables which went from EUR 210.5 million in 2010/2011 to EUR 70.9 million in 2011/2012?

AG-IMS ID 76038: Question by Canada - Non-product-specific AMS

Canada notes the inclusion of a new measure called "Mutual funds in case of animal or vegetal diseases" and the associated payment of EUR 26.9 million. Could the European Union describe the circumstances requiring this support?

2.3.5 India (G/AG/N/IND/10, G/AG/N/IND/10/CORR.1)

AG-IMS ID 76018: Question by Australia - Transparency issues (including Table DS:2)

Australia thanks India for its answers to the questions raised by Australia at the 75th Committee of Agriculture, in relation to India's notification (G/AG/IN/10). Australia acknowledges India's answer to Australia's question (AG-IMS ID 75017) on the use of United States Dollars (USD) instead of Indian Rupees (INR) in India's recent notifications. Australia notes, however, that India's AGST requires that INR be used, and indeed INR was used by India prior to its last notification.

- a. Can India explain why it is no longer using INR in its notifications, and why it considers it more important "to provide comparable estimates" than to follow India's AGST?
- b. Can India also explain why it considers USD as being more reflective of the real impact of Indian domestic support when domestic support is actually delivered in INR and not USD?

AG-IMS ID 76019: Question by Australia - Transparency issues (including Table DS:2)

With respect to the question from Australia (AG-IMS ID 75021) on input subsidies, India states that "about 99% of farm holdings have less than ten hectares of land which is not considered to be adequate to generate enough income to maintain a minimum standard of living". India states that the situation has deteriorated further over the period 2001-2002 to 2010-2011. This is despite the fact that Indian input subsidies to these farms have increased by almost 300% in the notification period and that market price support has also been available for a range of agricultural commodities.

- a. Can India explain why concessional farm inputs and market price support have not made any significant change to the economic circumstances of the recipient farmers?
- b. Can India also explain why rice production and wheat production have accelerated significantly in the period under notification, along with the value of agricultural output, yet according to India's response, the number of farmers deemed to be living without a sufficient income has increased over the same period?

AG-IMS ID 76066: Question by United States of America - Transparency issues (including Table DS:2)

In response to AG-IMS 75045 regarding the significant levels of state-level funding that are distinct from central government funding noted by the United States, India states that "Agriculture is a state subject in India, and all support provided by the government is implemented at the state level".

- a. The United States appreciates India's response that all agricultural support in India is implemented at the state level, but repeats its questions regarding whether India's notification includes both central government funded support and state-level funded support.

In response to AG-IMS 75045, the United States notes that in India's response and explanation of the manner in which it notifies its domestic support programmes, India stated that it notifies consistently in U.S. dollars so as to provide comparable estimates from one year to the next.

- b. Please provide India's notified levels of support for its most recent notified year (2010) in Indian rupees for comparison purposes with its commitments reflected in its AGST (G/AG/AGST/IND).

AG-IMS ID 76067: Question by United States of America - Transparency issues (including Table DS:2)

In response to AG-IMS 75047, regarding general services support, India simply stated that agriculture is a state subject and that all support is implemented at the state level.

The United States repeats its questions seeking clarification as to whether support notified as general services is funded completely by the central government (and implemented by states) or if some level of notified support also includes state-level funding. If the notified support does not include state-level support, please indicate the instances in which states do provide funding.

AG-IMS ID 76068: Question by United States of America - Public stockholding for food security purposes

In response to part a) of AG-IMS 75048, India indicated that it had not exported grains from government stocks since 2006/2007.

- a. Please confirm whether this response was in relation to only the notified period or whether it also includes dates beyond the notified period?

The United States notes that, according to publicly available official government data, India's food subsidy has continued to rise since 2010/2011. Based on the Food Corporation of India website, India has also exported significant quantities from public stocks since that time. For example, in 2012/2013 and 2013/2014, India exported 3.07 million metric tonnes and 2.43 million metric tonnes of wheat from the Food Corporation of India.

- b. Please confirm these export volumes.
- c. Please provide detailed information, including tender notices and prices, regarding these exported quantities.

The United States notes that India notified USD 12.28 billion in public stockholding for food security purposes in 2009/2010. At the official exchange rate notified by India, this is equivalent to INR 582 billion. As noted by the United States in part c) of AG-IMS 75048, the Food Corporation of India reported INR 428 billion in "subsidies" or the fiscal losses associated with procuring rice and wheat at the minimum support price and the selling at heavily discounted prices in 2009/2010. This figure more than doubled by 2013/2014. Several states also provided bonuses in addition to the minimum support price. In 2009/2010, the United States estimates that these bonuses were equivalent to INR 11,463.9 million.

- d. Please confirm if the expenditures noted by the Food Corporation of India are included in the notification by India under public stockholding for food security purposes.
- e. Please confirm the U.S. estimates of state bonuses and provide total state-level funding expenditures for the notified period, including, but not limited to, state-bonuses per part e) of question AG-IMS 75048.
- f. Please confirm whether the state bonus or other state-level funding is included in the notification by India under public stockholding for food security per part d) of question AG-IMS 75048.
- g. Please explain any other expenditure notified under this sub-heading and include relevant values for the notified period.

AG-IMS ID 76069: Question by United States of America - Direct payments: payments for relief from natural disasters

The United States thanks India for its response to AG-IMS 75049 and the clarifications provided. The United States would like to confirm its understanding of India's response that:

- a. Under the sub-heading, "payments for relief from natural disasters", the payments include no state-level funding and simply indicate the level of central government expenditures implemented by states;
- b. No state-level expenditures are used to fund the National Crop Insurance Scheme (which is funded completely by the central government).

AG-IMS ID 76070: Question by United States of America - Direct payments: structural adjustment assistance provided through investment aids

The United States thanks India for this response to AG-IMS 75052 and looks forward to reviewing the Table DS:2 when it is notified. The United States notes that the Agricultural Debt Waiver and Debt Relief Scheme classifies farmers as "marginal, small, and other". Marginal and small farmers are collectively considered those with no more than two hectares of land, while "other" consists of all other farmers. The Scheme provides debt waivers to marginal and small farmers and debt relief to other farmers.

- a. The United States would appreciate a better understanding of the basis for implementing this debt programme as described.
- b. Other than landholding size, what factors contributed to India's assessment that two hectares was an appropriate basis for determining which farmers received debt waivers versus debt relief.

The United States notes that the Agricultural Debt Waiver and Debt Relief Scheme takes into account farmers that pool their landholdings per details linked in response to AG-IMS 75052.

- c. Can India provide relevant data on the pooling of landholdings by Indian farmers? For example, the percentage of landholdings that are pooled; the average size of the combined pooled landholdings; the number of farmers involved in a single landholding "pool" on average, etc.

AG-IMS ID 76035: Question by European Union - Input subsidies available to low-income or resource-poor producers

Follow-up on question AG-IMS ID 75078:

- a. Can India indicate the percentage of total agricultural area that is farmed by those farmers possessing less than 10 hectares?
- b. Can India indicate the percentage of total Indian production of wheat, rice, maize and cotton respectively that are produced by farmers possessing less than 10 hectares?

AG-IMS ID 76071: Question by United States of America - Input subsidies available to low-income or resource-poor producers

As noted in AG-IMS 75057, the average landholding size in India is declining. The decline is due to a combination of an increase in the number of landholdings, an increase in population, and the operation of Indian hereditary laws, which indicate that the average size of Indian landholdings will continue to decline. As a consequence, an increasing number of Indian farmers may be marginalized due to a reduced ability to earn income off their land. What steps is India taking, or considering, to address the trends that are resulting in lower incomes for producers?

AG-IMS ID 76072: Question by United States of America - Market price support

In its responses to question AG-IMS 75062, India states that it only procures very few crops under the various announced minimum support prices and that those are the only administered prices notified in Supporting Table DS:5.

- a. What is India's objective in establishing minimum support prices for other commodities?
- b. Please address the fact that these prices provide an inherent support to producers in the sense that the producers will receive the support price in the event of a decline in market prices.

In response to part b) of question AG-IM 75062, India stated that the government procures the marketable surplus of minimum support price (MSP) commodities less only what farmers want to keep for their own consumption and seed requirements. As the United States noted in part c) of AG-IMS 75062, the government, through the MSP and compounded by additional bonuses provided by states, can be a virtual monopsonist in certain markets, such as the market for wheat. The government of India itself has stated this is "not healthy for the long term efficiency in procurement operations as well as for farmers."

- c. Please confirm that the choice of farmers not to sell to the government at the MSP is a matter of their own decision and that there is no limitation on the quantity of products, including rice or wheat that the government is willing to purchase from Indian farmers.
- d. With regard to India's response to part b), please confirm that India's decision to abandon its notification methodology reflected in the AGST document and India's first notification for 1995/1996 is because of the reason provided and not due to any policy change between 1995/1996 and 1996/1997.

In response to part c) of question AG-IMS 75062, India noted that the notification covers support by the government. It remains unclear however, how all the support, such as state bonuses, are in fact covered by this notification. This is particularly concerning given the government of India report which described the impact a state bonus can have on overall government procurement.

- e. Please provide an updated Supporting Table DS:5 including relevant MSP bonuses.

2.3.6 Indonesia (G/AG/N/IDN/34)

AG-IMS ID 76063: Question by United States of America - Transparency issues (including Table DS:2)

The United States notes that Indonesia has not provided a Supporting Table DS:4 or Supporting Table DS:5 to account for the use of administered prices per footnote 5 of paragraph 3 of Annex 2 of the Agreement on Agriculture. Indonesia previously indicated (AG-IMS ID 75063, AG-IMS ID 73052, and AG-IMS ID 74043) that it would be notifying Supporting Table DS:4 and DS:5 shortly. When can Members expect the notification of the relevant Supporting Table DS:4 and Supporting Table DS:5?

2.3.7 Korea, Republic of (G/AG/N/KOR/53)

AG-IMS ID 76042: Question by Canada - Transparency issues (including Table DS:2)

Canada notices that rice is not listed as receiving product-specific support in Korea's Supporting Table DS:4 in 2009. Support has been reported in previous years and for the two consecutive years (i.e. 2010 and 2011). Could Korea please explain this anomaly?

AG-IMS ID 76073: Question by Thailand - Other product-specific AMS/EMS

Korea indicates the "deficiency payment" measure for rice under Supporting Table DS:6 for 2010 and 2011. Please provide more details for this measure. Is the payment paid according to the deficiency between the base price(s) and current market price(s)? How does Korea determine the base price(s) and market price(s)? Is the payment available for all domestic production?

AG-IMS ID 76074: Question by Thailand - Non-product-specific AMS

Korea's Supporting Table DS:9 indicates the amount spent under the crop insurance programme. Does the programme provide insurance to all crops? If not, please specify which crops are eligible for the programme. What are the conditions to be eligible for the assistance under the programme? Could Korea explain the reason why the amount spent under the programme increased from 2010 to 2011?

2.3.8 Russian Federation (G/AG/N/RUS/5)

AG-IMS ID 76064: Question by United States of America - Transparency issues (including Table DS:2)

The United States notes that the Russian Federation did not notify a market price support for corn; however, corn was notified in WT/ACC/SPEC/RUS/39.

- a. Please verify that no price support was announced for corn in 2012.
- b. If price support was announced for corn in 2012, please explain when Russia decided to permanently eliminate price supports for corn.

2.3.9 United States of America (G/AG/N/USA/93)

AG-IMS ID 76048: Question by India - Transparency issues (including Table DS:2)

In its domestic support notifications, in some years the United States has calculated market price support for dairy, while in other years it has calculated this support for butter, non-fat dry milk and cheddar cheese.

- a. Could the United States provide reasons for this change?
- b. Could the United States confirm that it had notified the Fixed External Reference Price for butter, non-fat dry milk and cheddar cheese in its AGST?
- c. What was the total applied AMS for these three categories separately in 1986-1988?

AG-IMS ID 76044: Question by India - Direct payments: income insurance and income safety-net programmes

Follow-up question to AG-IMS ID 75107:

In response to India's question, the United States has claimed that on account of administrative and operating reimbursements to insurers "there are no trade distorting effects or effects on production". Could the United States elaborate this claim further, particularly as payment of administrative and operating reimbursements by the federal government relieves the farmers of the burden to make these payments to the private insurance companies?

AG-IMS ID 76045: Question by India - Non-product-specific AMS

Follow-up question to AG-IMS ID 75108:

India had pointed out that while the GRP Scheme in 7 CFR §407.9 outlines a Common Policy for insurance, there are product specific parts to this policy for crops like barley, corn, cotton, forage, peanuts, sorghum, soybean, wheat as contained in 7 CFR §407.10 -7 CFR §407.17. India had sought to know how such crop specific provisions with a tailor-made criterion for different "crop insured", catering only to certain crops, does not make the GRP Scheme product specific in nature. In response, the United States has stated that it has "in the past notified its crop insurance programme as non-product specific in light of the programme's parameters". However, a Congressional Research Service report of April 2007 states that "Most crop insurance subsidies (with the exception of adjusted gross revenue insurance) can be linked directly to a specific insured crop". In light of these facts, the United States is requested to elaborate its answer, as it does not address the core issue raised by India.

AG-IMS ID 76046: Question by India - Non-product-specific AMS

Follow-up question to AG-IMS ID 75112:

India had sought to know the per unit rate charged for electricity used to transport irrigation water and the power rates charged for industrial, agricultural and residential users of electricity. However, the response from the United States does not provide the information sought by India. United States is again requested to provide the specific information sought by India.

2.3.10 United States of America (G/AG/N/USA/100)**AG-IMS ID 76043: Question by Canada - General services: other**

In the United States most recent Table DS:1 notification for 2012, no amounts are reported for the following programmes notified under the Green Box: a) underwriting gains to insurers, b) resource conservations and development, c) conservation loans, d) voluntary public access and wildlife habitat incentives (VPA-WHIP). Could the United States please confirm whether or not these programmes have been terminated?

AG-IMS ID 76010: Question by European Union - General services: other

The European Union notes the "underwriting gains to insurers" measure previously included under the General Services in Supporting Table DS:1 is no longer notified in the current notification covering the marketing year 2012.

- a. Has this measure been included in a different way in the current notification?
- b. Could the United States explain what changes to the operation of the measure led to this notification change?

AG-IMS ID 76015: Question by Australia - Other product-specific AMS/EMS

The United States reported in its notification for the marketing year 2012 on 8 December 2014 (G/AG/N/USA/100) a number of product specific commodity loan interest subsidies (e.g. barley, canola, corn, cotton, dry peas, flaxseed, honey, oats, peanuts, rice, sorghum, soybeans, sugar and sunflowers).

- a. Can the United States inform Members how the interest subsidy used in each of the relevant commodities was calculated and how the amount notified as product-specific AMS was determined?
- b. Could the United States please explain the rationale behind reporting crop insurance as product specific support when previously it has been notified as non-product specific support?

AG-IMS ID 76024: Question by Canada - Other product-specific AMS/EMS

Could the United States please explain why chickpeas, lentils and wool are no longer included in the list of products receiving product-specific support in Supporting Table DS: 4?

AG-IMS ID 76011: Question by European Union - Classification of measures

The European Union notes that in the latest notification subsidies to premiums under crop insurance are no longer notified as non-product-specific AMS but instead are notified on a product-specific basis.

- a. Could the United States explain this notification change?
- b. Were there changes to the operation of the measure which led to this notification change?

AG-IMS ID 76047: Question by Canada - Classification of measures

The United States has reported the Crop and Revenue Insurance programme as non-product specific (Supporting Table DS: 9) from 1995 to 2011. Canada notices that in its most recent Table DS:1 notification for 2012, the programme is now notified as product-specific (Supporting Table DS:4). Could the United States please explain the policy change to warrant a change in the classification from Non-product specific to Product-specific support? If there is no policy change to justify the change in the notification of crop insurance to product-specific AMS could the United States indicate when it will submit revised notifications for previous years?

2.4 NEW OR MODIFIED DOMESTIC SUPPORT MEASURES (DS:2)

2.4.1 Brazil (G/AG/N/BRA/34)

AG-IMS ID 76009: Question by Canada - General services: pest and disease control

In its most recent Table DS:2 notification (G/AG/N/BRA/34), Brazil introduces a new measure entitled "Agricultural Protection Program" which came into effect on 1 January 2013. Canada is seeking further details on the provided description, namely:

- a. How long will this measure be in effect?
- b. What portion of the annual budget does Brazil expect to be attributed to this new programme?
- c. Could Brazil provide examples of public or private companies eligible to receive this funding? What is their connection to the agricultural industry?
- d. Could Brazil please elaborate further on the types of "activities" related to pest and disease control that will benefit from this support?

AG-IMS ID 76008: Question by Canada - General services: inspection services

Brazil introduced a new programme in G/AG/N/BRA/34 entitled "Inspection of Agricultural Activities". Support for this programme will be notified in paragraph 2 of Annex 2 of the Agreement on Agriculture. Canada is seeking further details on the provided description, namely:

- a. How long will this measure be in effect?

- b. What portion of the annual budget does Brazil expect to be attributed to this new programme?
- c. Could Brazil provide examples of public or private companies eligible to receive this funding? What is their connection to the agricultural industry?
- d. Could Brazil please elaborate further on the types of "activities" related to pest and disease control that will benefit from this support?

2.4.2 Canada (G/AG/N/CAN/99)

AG-IMS ID 76007: Question by Australia - Direct payments: payments under regional assistance programmes

Regarding Canada's notification (G/AG/N/CAN/99) and its subsequent response to Australia's question (AG-IMS ID 74017) on the "Pilot Programme to Support Multifunctionality of Agriculture" at the 74th Committee on Agriculture,

- a. Could Canada please define "multifunctionality" in the context of the Agreement on Agriculture?

In Canada's response to AG-IMS ID 74017, Canada stated that eligibility for projects under this scheme requires that "a successful applicant (farm) must demonstrate that its proposed project will carry out beneficial farming practices and will generate benefits for the community".

- b. Can Canada detail these beneficial farming practices and benefits accruing to local communities?
- c. If projects under the scheme have been started, can Canada list them along with their relevant beneficial farming practices, what financial support was provided for what activity, and what community benefits were accrued?

2.5 EXPORT SUBSIDY NOTIFICATIONS (TABLES ES:1, ES:2 AND ES:3)

2.5.1 European Union (G/AG/N/EU/22)

AG-IMS ID 76057: Question by Peru - Transparency issues

Could the European Union please elaborate on the legal framework and operation of the subsidies granted for poultry meat?

AG-IMS ID 76006: Question by Australia - Quantity of total exports

Can the European Union advise the total quantity of sugar exported for the marketing year 2012/2013?

AG-IMS ID 76065: Question by United States of America - Quantity of total exports

The United States appreciates the European Union's voluntarily reporting on total exports in connection with being a Significant Exporter as suggested by the Chair (G/AG/W/123). The United States notes differences in the total exports notified under the "Quantity of Total Exports" in Part I and the total exports voluntarily notified under Part II. The differences appear significant with respect to some of the commodities, such as other milk products, pig meat, poultry, eggs, wine, and tobacco. The Chair also suggested voluntarily providing more detailed tariff line data as per his table when the quantity of exports of the specific tariff category was more than 10% of the total for that product group.

- a. Is the European Union willing to consider providing more detailed tariff grouping export data when the detailed tariff grouping exceeds 10% of the product group being voluntarily notified in Part II as a Significant Exporter as described in G/AG/W/123?
- b. Please provide an explanation as to the nature of the discrepancies between the column "Quantity of total exports" under Part I and the column "Quantity of total exports (of products as per the list of Significant Exporters)" under Part II.

- c. Please describe the differences in product coverage between both the fruits and vegetables lines in Part I (fresh and processed) and the fruit and vegetable lines in Part II. If the total of each sets of lines are the same, similar to question b, please describe the nature of the discrepancy between the totals.

2.5.2 Mauritius (G/AG/N/MUS/4)

AG-IMS ID 76005: Question by Australia - Special and differential treatment (Article 9.4)

Australia thanks Mauritius for its recent export subsidy notification (G/AG/N/MUS/4). Australia notes that in 2013, Mauritius provided export subsidies to a range of fruits, vegetables and flowers. Can Mauritius:

- a. Advise if the notified export subsidy programme continued into 2014 and if so, please indicate the budgetary outlay and the total quantity exported under the subsidy in 2014?
- b. Advise if the programme is still underway and if so, when is the programme scheduled to end?
- c. Advise which markets have received subsidized fruit, vegetables and flowers from Mauritius?
- d. Reaffirm its recognition that all forms of export subsidies are a highly trade distorting form of support, in accordance with the Bali 2013 Ministerial Declaration on Export Competition?

AG-IMS ID 76004: Question by European Union - Special and differential treatment (Article 9.4)

Can Mauritius explain how the subsidies notified comply with its WTO obligations, notably given that Article 9.4 of the Agreement on Agriculture expired on the 31 December 2004?

AG-IMS ID 76014: Question by United States of America - Special and differential treatment (Article 9.4)

Why is Mauritius using export subsidies under Article 9.1(d) when the implementation period for such use under Article 9.4 has elapsed?

2.5.3 Switzerland (G/AG/N/CHE/71)

AG-IMS ID 76002: Question by European Union - Transparency issues

The European Union notes that levels of export subsidies for processed products in Switzerland remain stable, if not increasing over the last few years and relatively close to the Swiss commitment level.

In the light of this, could Switzerland indicate whether it plans to undertake reforms in the field of export competition with a view to abolishing all export subsidies, in particular for processed products, in line with the Bali declaration on export competition?

2.5.4 United States of America (G/AG/N/USA/99)

AG-IMS ID 76003: Question by European Union - Transparency issues

In footnote 2 of the ES:1 notification the United States clarifies that amounts of export credit guarantees registered under its GSM-102 programme do not constitute budgetary outlays for purposes of annual commitment levels.

Without prejudice to that position, could the United States nevertheless explain why it does not give the volumes of subsidised exports in Table ES:1 which have benefitted from the GSM-102 programme as these subsidised exports should constitute quantities for the purposes of complying with the commitment levels?

3 OVERDUE NOTIFICATIONS

3.1 China

AG-IMS ID 76012: Question by United States of America

In response to AG-IMS 73035, China stated its notification for 2009 and 2010 were being reviewed to guarantee accuracy before submission. China has not yet submitted its notification after more than one year of review. The United States notes that the objective of this Committee is to provide Members with timely updates on agricultural policies carried out by Members. In furtherance of this objective, the United States now notifies its domestic support on an annual basis before all information is finalized and regularly submits corrigenda as needed. The United States believes this process provides Members with a timely sharing of information, despite the inability to provide 100% accurate information at the initial date of notification. The United States would recommend all WTO Members work to better meet the transparency objectives of this Committee so that discussions may be robust and informative. As an example of the problem with delayed notifications, the United States notes that it has asked a number of questions regarding China's cotton policy over the past several years, and specifically asked about a policy that was implemented and terminated without any notification to the WTO.

- a. When can the United States expect China to provide its notifications for 2009 and 2010?
- b. When can the United States expect China to provide more recent notifications to bring its WTO notifications up to date?

3.2 Turkey

AG-IMS ID 76013: Question by United States of America

Turkey remains seriously overdue in notifying its domestic support and export subsidies. When does Turkey plan to submit its domestic support and export subsidy notifications?
