submission by Brazil

ARTICLE 6.2 OF THE AGREEMENT ON AGRICULTURE (AOA) IN PERSPECTIVE

The following submission, dated 11 May 2021, is being circulated at the request of the delegation of Brazil.

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# INTRODUCTION

In January 2020, a group of Members put forward [JOB/AG/177](https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/Jobs/AG/177.pdf&Open=True)[[1]](#footnote-1), proposing a "Framework for Negotiations on Domestic Support" (hereinafter referred to as the Framework). The proponents seek an agreement at the WTO to "cap and reduce the sum of current global agricultural trade- and production-distorting domestic support entitlements by at least half by 2030" in a way that is fair, proportionate and reflective of development needs.

Co-sponsors also propose that the negotiations for this agreement "shall take into consideration all forms of trade- and production-distorting domestic support under Article 6 of the Agreement on Agriculture" (AoA). The proponents have noted that the Framework does not prescribe any modality to this end, does not prejudge how various elements are included or assume that all forms of support must be treated equally. The modalities for reductions such as scope and coverage, reduction formulae, and definitions of terms are left for separate discussions and negotiations to be determined by Members.[[2]](#footnote-2)

This document, which has been written by the Brazilian delegation as a contribution to the debate, aims to briefly analyse, from a historical perspective, Article 6.2, one of the "uncapped" categories of domestic support under Article 6. Article 6.2 expenditure is exempt from the Current Total Aggregate Measurement of Support (CTAMS) calculations, as well as from quantitative limits and from reduction commitments.

Statistical data are based mainly on Canada's Analytical Tool on Domestic Support, outlined in [JOB/AG/190](https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/Jobs/AG/190-01.pdf&Open=True), including the exchange rates, and on Members' notifications.[[3]](#footnote-3) A limitation in this analysis, as can be seen in the referred document, is that many Members' domestic support notifications are outdated. In this regard, through the Framework, co-sponsors stated that "the implementation of existing notification obligations under Article 18 of the Agreement on Agriculture, thus strengthening transparency with respect to existing domestic support commitments, is imperative, and that utmost effort must be made to provide all outstanding DS:1 notifications".

This analysis does not take into full account certain aspects of Article 6.2, such as all concepts included in its definition and Q&A in the Committee of Agriculture in regular session (CoA). We encourage Members to explore these issues further with additional analysis and submissions.

The main conclusions of this analysis are as follows:

* Among Members that are entitled to use Article 6.2, less than half of them have notified at least once the use of such programmes since 2001, and less than a quarter have notified it in the past five years;
* Among Members notifying support under Article 6.2, five of them are responsible for around 90% of expenditures annually;
* Domestic support under Article 6.2 has exponentially grown during the 2000s. There have since been ebbs and flows, but the 2010 peak has not been surpassed;
* In aggregate, Article 6.2 expenditure is currently more than a quarter of all trade-distorting domestic support (TDDS)[[4]](#footnote-4);
* At the individual level, domestic support under Article 6.2 is relatively small compared to each Member's caps under Article 6 (both product-specific and non-product-specific "*de minimis*" and, when applicable, FBTAMS);
* In some cases, it is the only form of subsidy provided under Article 6 of the AoA;
* Despite the absence of uniform usage among Members, the share of Latin America and the Caribbean, Africa and the Middle East in global Article 6.2 notified use has remained relatively low since 2001;
* Whilst the number of investment subsidies measures exceeds the number of agricultural inputs subsidies measures, expenditure is larger in agricultural inputs subsidies than in investment subsidies;
* More than 30% of the programmes or measures notified under Article 6.2 since 1995 has a component of product-related specificity;
* Since this analysis relies on domestic support notifications, Members are encouraged to ensure they meet their notification obligations in a timely, accurate and complete manner. This will help advance our collective understanding of the current situation with respect to domestic support, and help inform our ongoing negotiations.

# ARTICLE 6.2

## DEFINITION

Under the AoA, Aggregate Measurement of Support (AMS) is defined as the annual level of support provided for agricultural production, with the only exception of the support provided under programmes that meet the criteria of Annex 2 to the Agreement.

Nonetheless, domestic support reduction commitments apply to "all of [its] domestic support measures in favour of agricultural producers with the exception of domestic measures which are not subject to reduction in terms of the criteria set out in this Article [Article 6] and in Annex 2 to this Agreement". In what regards to "the criteria set out in this Article", in order to achieve consensus in the AoA negotiations during the Uruguay Round, Members agreed that there would be three forms of domestic expenditures that exclusively developing Members would not be obliged to include in their CTAMS calculations (Table DS:1), but that would also not be part of Annex 2 of the AoA either. These three forms include investment or input subsidies that are part of development programmes, and crop diversification subsidies that are part of programmes to substitute illicit narcotic crops.

Article 6.2 of the AoA states that:

*In accordance with the Mid-Term Review Agreement that government measures of assistance, whether direct or indirect, to encourage agricultural and rural development are an integral part of the development programmes of developing countries,*

1. *investment subsidies which are generally available to agriculture in developing country Members and*
2. *agricultural input subsidies generally available to low-income or resource-poor producers in developing country Members*

*shall be exempt from domestic support reduction commitments that would otherwise be applicable to such measures,*

1. *as shall domestic support to producers in developing country Members to encourage diversification from growing illicit narcotic crops.*

*Domestic support meeting the criteria of this paragraph shall not be required to be included in a Member's calculation of its Current Total AMS.*

## CONCERNS ABOUT THE CURRENT DEFINITION

The discussion about Article 6.2 has been well summarized in [JOB/AG/160](https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/Jobs/AG/160.pdf&Open=True), which states that despite the legitimate objective of allowing developing country Members "to provide some forms of product specific and non-product specific support, without any reduction commitment, to enable them to pursue legitimate development goals", "when applied in excess or without proper qualification, those subsidies may also be a source of distortions to trade and production of agricultural goods. These concerns are particularly acute in the case of input subsidies[[5]](#footnote-5), whereas support for diversification from growing illicit narcotic crops has been less controversial". This assessment becomes more relevant when one observes that "Members classify most of their Article 6.2 support as input subsidies, less as investment subsidies and still less as support to encourage diversification from growing illicit narcotic crops"[[6]](#footnote-6), as it will be discussed ahead in this document.

Another source of possible concern, as pointed out in [JOB/AG/160](https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/Jobs/AG/160.pdf&Open=True), is the meaning or the scope of some pivotal terms of Article 6.2: which kind of restriction would render the programme not "generally available? What kind of producer is "low-income or resource-poor"? Should support go directly to producers and not suppliers of inputs (e.g. electrical utilities, or fertilizer suppliers)? The document also points to a possible set of enhanced transparency obligations, such as more complete programme descriptions; more complete breakdowns of expenditure – i.e. programme by programme; more information to show how criteria are met, in order to guarantee that solely the support meeting the criteria of paragraph 6.2 is excluded from the Member's calculation of its CTAMS. To that list, one may add the fulfilment of the current obligation of submitting a DS:2 notification for any new support measure or modifications to an existing measure as in [G/AG/2](https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=Q:/G/AG/2.pdf&Open=True).

## USERS

With few exceptions[[7]](#footnote-7), potentially every self-declaring developing Member at the WTO[[8]](#footnote-8) has the right to adopt and notify measures under the Article 6.2 of the AoA as long as the classification criteria are met. Under those circumstances, those measures may be exempt from the calculation of its CTAMS.

Fifty (50) developing Members have notified measures under this category at least once since 2001 (see Table 1), and 27 Members – including 12 LDCs - have notified such measures in the last five years.

Table 1: Members that have notified 6.2 support since 2001

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Kingdom of Bahrain | Bangladesh | Barbados | Botswana | Brazil |
| Burundi | Chad | Chile | Colombia | Costa Rica |
| Cuba | Dominican Republic | Ecuador | Egypt | El Salvador |
| Guatemala | Honduras | India | Indonesia | Jordan |
| Republic of Korea | Lao People's Democratic Republic | Lesotho | Madagascar | Malawi |
| Malaysia | Mali | Mauritius | Mexico | Mongolia |
| Morocco | Namibia | Nepal | Oman | Panama |
| Paraguay | Peru | Philippines | Qatar | Senegal |
| Seychelles | Sri Lanka | Thailand | Togo | Tunisia |
| Turkey | United Arab Emirates | Uruguay | Viet Nam | Zambia |

Expenditure under Article 6.2 is heavily concentrated in a few Members. For instance, in 2016[[9]](#footnote-9), five Members accounted for 94% of the domestic support notified under Article 6.2 (see Graph 1). According to Canada's Analytical Tool on Domestic Support, one major Member (A) accounted for 73.9% in 2016, while the other top four Members accounted for 8.9% (B), 5.9% (C), 2.7% (D), and 2.4% (E).

Graph 1: Domestic support expenditures under Article 6.2 in 2016



Article 6.2 support is also the main support category notified by several WTO Members. For example, in 2016 Article 6.2 expenditure represented the only expenditure under Article 6 notified by twelve[[10]](#footnote-10) developing Members and the most important type of support for some major developing Members. Article 6.2 accounted for 80.3% of the biggest user's Article 6 expenditure on domestic support (A), while for other major users it accounted for 94.6% (B), 93.3% (C), 29.1% (D), and 25.5% (E) (see Graph 2 and Annex 1).

Graph 2: Top five users of Article 6.2 support as a share of trade-distorting domestic support (TDDS) in 2016



There is no uniform use among developing countries of the most different regions. Africa, for example, has 46 Members and represents 37% of all developing Members, but only two African countries[[11]](#footnote-11) appeared among the top 10 greatest users of this box in any year during the past decade.

Despite the absence of uniform usage among Members, a regional analysis demonstrates that Asia is at the forefront of expenditures, being responsible for at least 85% of expenditures in every year since 2001, except for 2002 and 2019 (see Graph 3). Expenditures in Latin America and the Caribbean as well as in Africa and the Middle East have remained relatively low throughout the entire period.

Graph 3: Share of notified 6.2 support per region[[12]](#footnote-12)



## ARTICLE 6.2 NOTIFIED USE SINCE 2001

Article 6.2 domestic support increased from USD 9.6 billion in 2001 to a maximum of USD 39.3 billion in 2010 (see Graph 3 above). Since then, it has stabilized closer to the USD 30 billion-dollar mark. In 2018, Members notified USD 28.8 billion, a number that would probably increase as more developing Members update their domestic support notifications.

Most changes in total expenditure can be explained by changes in expenditure of the biggest user of support (A) under Article 6.2 (see Graph 4). This Member increased its notified expenditure from USD 8.3 billion in 2001 to a maximum of USD 31.6 billion in 2010, and then decreased it back until it reached USD 24.2 billion in 2018.

Graph 4: Article 6.2 support since 2001 – Aggregate and biggest user's notified expenditure



The number of Members notifying Article 6.2 expenditure should also be taken into account, especially since the number of DS:1 notifications dropped after 2014. This may indicate that notified support is underestimating the actual support provided in the last five years.

## ARTICLE 6.2 SUPPORT *VIS-À-VIS* ARTICLE 6 AND VOP

Even if support in absolute terms has stabilized, Article 6.2 support as a percentage of all support provided under Article 6 has recently shown an upward trend (see Graph 5). In 2001, it represented 9.1% - USD 9.6 billion out of USD 105.9 billion. In 2016[[13]](#footnote-13), support under Article 6 reached USD 121.7 billion, and Article 6.2 support accounted for USD 30.9 billion and 25.4% of the total.

Graph 5: Article 6.2 support as a share of TDDS since 2001[[14]](#footnote-14)



Interestingly, support under Article 6.2 as a percentage of the value of production (VoP) is not significant for most users. According to Brink and Orden[[15]](#footnote-15), as to support provided under this box in 2014-2016, "for many Members[[16]](#footnote-16) the amount exempted corresponds to only a few percent of VoP in agriculture". In fact, Article 6.2 support as a percentage of VoP has been on the decline for most (Members A, D, E and F) of the major users (see Graph 6).

Graph 6: Article 6.2 major users' expenditure as a percentage (%) of their VOP

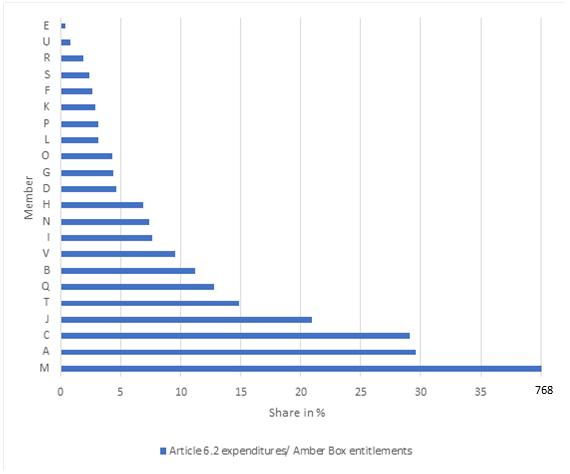


The reasons behind these changes are multiple: increasing VoP; reduction in Article 6.2 expenditure in absolute terms; and/or increase in Article 6.2 does not catch up with the growth in the VoP, resulting in a reduction in the indicator (see Annex 2).

As the VoP grows, "*de minimis*" entitlements can better accommodate the expenditure that is usually notified under Article 6.2. According to Brink and Orden, for those whose Article 6.2 support is relatively high, those "exemptions thus free up significant room for potential AMS support within their limits".[[17]](#footnote-17)

Data indicate that most Members implementing development programmes have notified expenditure levels that are relatively low in terms of their Amber Box[[18]](#footnote-18) entitlements (see Graph 7).

Graph 7: Article 6.2 main users' expenditure (latest notification[[19]](#footnote-19)) versus Amber Box entitlements (latest VOP available)



## ARTICLE 6.2 SUB-CATEGORIES

Since 1995, a total of 1,715 measures have been notified in Supporting Table DS:2 ("Measures exempt from the reduction commitment - Special and Differential Treatment"). Of this total, 963 were investment subsidies (56%); 696 were agricultural input subsidies (41%); and 52 were diversification from growing illicit narcotic crops subsidies (3%) (see Graphs 8 and 9).

Government support has been granted for the acquisition of both general forms of inputs, such as electricity or fuel, and specific ones, like seeds, fertilizers, or feed. In general, government support for investments has been less detailed than support for inputs, but it is oftentimes related to improvements in production sites. Diversification subsidies are much less frequent, and there was only one occasion in which a Member specified which type of production it was favouring to, appropriately, replace illicit narcotic crops.

Graph 8: Article 6.2 notified measures since 1995 – per sub-category



Graph 9: Share of each sub-category in notified Article 6.2 support since 1995 – per number of programmes or measures



Even if the number of investment subsidies programmes surpasses the number of input subsidies programmes, between 2001 and 2019, total expenditure in the latter is more than eight times bigger than in the former (see Graph 10).

Graph 10: Expenditure notified under Article 6.2 since 2001 – per sub-category



It is possible to identify a component of product-related specificity in 519 programmes or measures notified since 1995 (see Graph 11). Out of the 963 investment subsidies measures, 191 (18.9%) had some sort of product-related specificity[[20]](#footnote-20) component included in the description provided in the notification. Out of the 696 agricultural input subsidies measures, 326 (46.9%) had some sort of product-related specificity component. Only 2 (3.6%) of the 56 diversification from growing illicit narcotic crops subsidies measures had some sort of product-related specificity component.

Graph 11: Notified 6.2 support expenditure with a product-specific reference since 1995 – per sub-category



The majority of product-related specificity relates to "crops" (211 measures), followed by "livestock" (107 measures) support. There was a relevant number of measures related to "fruits/nuts/vegetables/horticulture" (67); "spices/teas" (41); "rice" (22); "coffee" (19); "dairy/milk" (15); and "cotton/silk" (11) (see Graph 12).

Graph 12: "Product-specific" versus "Generally available" programmes or measures – since 1995



# FINAL REMARKS

This document aims to contribute to Members' discussions by offering a comprehensive view (on the basis of DS:1 notifications) on the usage of domestic support under the Article 6.2.

Such discussion is needed, because, although figures cannot be analysed without paying full attention to the development component of Article 6.2, data suggest that this kind of support both in absolute terms and as a share of all support provided under Article 6 has been higher in recent years in comparison with the beginning of this century. Expenditure in agricultural inputs subsidies, which surpass in value expenditure in investment subsidies, has been amassing a large portion of domestic support in general. In terms of the future of domestic support negotiations as determined by Article 20 of the AoA, excluding more than a quarter of notified TDDS from future rules and modalities would render the outcome outdated from its outset.

In addition, data indicate that most Article 6.2 users – which account for less than half of the Members who are entitled to use it and only a quarter if only the previous five years are taken into account - have notified low levels of expenditure both relative to their Amber Box entitlements and their value of production. Even major users - five of the Members that notified domestic support under Article 6.2 are responsible for around 90% of expenditures annually - are seeing a reduction in the relative importance of Article 6.2 compared to both their Amber Box entitlements and their VoP, which comes coupled with changes in their domestic policies and the growth in their "*de minimis*" space. Therefore, if reform is achieved through a "cap-and-reduce" approach that considers all policy space derived from Article 6, the inclusion of Article 6.2 would not unduly limit the policy space available to developing Members. Agricultural programmes that will allow "farmers to have the opportunity to (i) engage and benefit from the economic development, (ii) have decent work in a level playing field, and (iii) be able to obtain and control resources to maintain livelihood[[21]](#footnote-21)" will still be available for Members to pursue the Sustainable Development Goals.

In terms of negotiation modalities, any discipline that only takes into account Amber Box entitlements will misestimate significantly the weight of certain Members in assessing their distortion potentials in production and world trade. Hence, the exclusion of Article 6.2 seems detrimental to modalities that seek to ascribe obligations that correspond to Members' role in the current distortion of the international agricultural trading system and would be harmful to the interests of the majority of WTO Members. Moreover, several Members have expressed the need to clarify some concepts and/or to establish additional transparency dispositions to limit the potential distortive impact of this type of subsidies on international trade and production. Taking into account mainly data communicated by Members through notifications, this document shows some areas in which further and better information is needed for better assessments within the ongoing negotiations.

Regardless of the approach that would be applied to the reduction of Article 6 entitlements and the manner in which Article 6.2 will be considered in the negotiations, the result should be consistent with the principle of proportionality in the reductions, in line with the guidelines proposed by the "Framework for Negotiations on Domestic Support". The use of a proportional approach ensures that the greater a Member's participation in the global trade distorting potential[[22]](#footnote-22), the greater its contribution to the reduction efforts should be. The successful implementation of this principle has the greatest potential to generate a "level playing field" in the international agricultural system. Along with the other elements in the Framework, it would prevent leakages or excessive burdens in terms of the reforms that would be required.

Moving forward, Members will have to discuss how to properly assess when domestic support classified under Article 6.2 is truly benefiting low-income or resource-poor farmers, who produce for subsistence, for local markets or in the context of social programmes, being, in this sense, players in combating hunger and food insecurity at a national level.

This assessment is of the utmost importance, for Members to be able to craft rules that tend to meet Members' individual development needs, providing them with a policy space that, albeit under some sort of limitation, does not impair Members' agricultural programmes for low-income or resource-poor farmers. At the same time, this policy space cannot be a tool for Members to disguise support provided under import substitution programmes or for highly exported agricultural products as Article 6.2 support.

The WTO is the competent fora for Members to define the rules for domestic support that will allow low-income or resource-poor farmers to play, in a dignified way, their role in agricultural value chains, contributing for improved availability of and access to food. These rules will need to address not only policy space, but they will also need to correct and prevent trade restrictions and distortions in world agricultural markets, as stated in SDG 2.

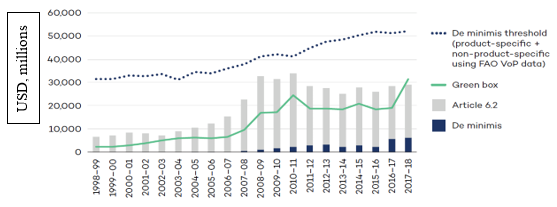
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**Annex 1**

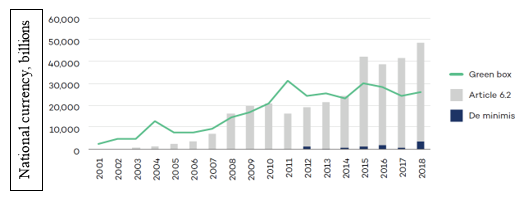
DOMESTIC SUPPORT BY MAIN USERS OF ARTICLE 6.2 SUPPORT[[23]](#footnote-23)

For the graphs below, IISD and IFPRI classified Green Box as support notified falling under Annex 2 of the AoA; AMS ceiling as FBTAMS limits; Article 6.2 as support notified under Article 6.2 of the AoA; "*de minimis*" as support notified below PS and NPS "*de minimis*" levels; and Amber Box (AMS) as only CTAMS.

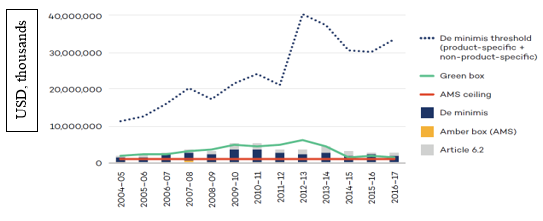
Member A



Member B



Member E



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Annex 2

ARTICLE 6.2 EXPENDITURE VERSUS VOP







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Annex 3

ARTICLE 6.2 VERSUS AMBER BOX SUPPORT[[24]](#footnote-24)

| Member | Article 6.2 expenditures (largest amount notified)/Amber Box expenditures (latest notification[[25]](#footnote-25)) | Article 6.2 expenditures (latest notification[[26]](#footnote-26))/ Amber Box expenditures (latest notification3) | Article 6.2 expenditures (largest amount notified)/Amber Box entitlements[[27]](#footnote-27) (based on latest VoP available[[28]](#footnote-28)) | Article 6.2 expenditures (latest notification3)/ Amber Box entitlements4 (based on latest VoP available5) |
| --- | --- | --- | --- | --- |
| A | 323.8% | 247.8% | 38.6% | 29.6% |
| B | 1,189.4% | 1,189.4% | 11.2% | 11.2% |
| C | 1,410.0% | 1,410.0% | 29.1% | 29.1% |
| D | 54.1% | 41.1% | 6.1% | 4.6% |
| E | 163.5% | 9.4% | 6.2% | 0.4% |
| F[[29]](#footnote-29) | 315.7% | 160.3% | 5.2% | 2.6% |
| G | 199.5% | 143.6% | 6.2% | 4.4% |
| H | 4,469.2% | 2,515.4% | 12.3% | 6.9% |
| I | 4,560.0% | 4,560.0% | 7.6% | 7.6% |
| J | - | - | 40.4% | 20.9% |
| K | 77.6% | 21.7% | 10.4% | 2.9% |
| L | - | - | 5.4% | 3.1% |
| M | - | - | 768.5% | 768.5% |
| N | 888.9% | 888.9% | 7.4% | 7.4% |
| O\*[[30]](#footnote-30) | - | - | 4.3% | 4.3% |
| P \* | - | - | 3.1% | 3.1% |
| Q | 237.0% | 237.0% | 12.8% | 12.8% |
| R | 1136.4% | 536.4% | 4.0% | 1.9% |
| S\* | - | - | 14.4% | 2.4% |
| T\* | - | - | 40.8% | 14.9% |
| U | - | - | 1.2% | 0.8% |
| V | - | - | 13.0% | 9.5% |
| W | 171.4% | 135.7% | 1.1% | 0.8% |
| X | 57.7% | 17.9% | 1.6% | 0.5% |
| Y | - | - | 3.3% | 2.8% |
| Z\* | - | - | # | # |
| AA | - | - | 19.8% | 14.9% |
| AB\* | - | - | 1.3% | 0.7% |
| AC\* | - | - | 3.8% | 2.1% |
| AD | - | - | 2.8% | 0.6% |
| AE | 269.0% | 6.9% | 24.5% | 0.6% |
| AF | - | - | 87.5% | 5.7% |
| AG\* | 1.6% | 1.6% | 1.8% | 1.8% |
| AH | 8.5% | 0.3% | 0.5% | 0.0% |
| AI~~\*~~ | 17.8% | 17.8% | 0.3% | 0.3% |
| AJ | - | - | 2.5% | 0.1% |
| AK | - | - | 31.8% | 13,50% |
| AL | - | - | 7.4% | 3.7% |
| AM | - | - | 117.6% | 29.4% |
| AN | 7.7% | 0.0% | 0.0% | 0.0% |
| AO | - | - | 58.8% | 0.0% |
| AP | - | - | # | # |
| AQ | - | - | 0.2% | 0.0% |
| AR | - | - | # | # |
| AS | - | - | 3.2% | 0.0% |
| AT | - | - | # | # |
| AU | - | - | # | # |
| AV | - | - | 0.2% | 0.0% |
| AW | - | - | 0.4% | 0.0% |
| AX | - | - | 0.0% | 0.0% |

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Annex 4

ARTICLE 6.2 USERS' SHARE IN GLOBAL[[31]](#footnote-31) AMBER BOX AND ARTICLE 6 SUPPORT IN 2016[[32]](#footnote-32)

|  |  |  |  |
| --- | --- | --- | --- |
|  | Amber Box entitlements[[33]](#footnote-33) | Amber Box expenditure | Article 6 expenditure |
| A | 9.4% | 0.7% | 23.4% |
| B | 3.6% | 0.2% | 2.4% |
| C | 1.0% | 0.2% | 1.6% |
| D | 1.8% | 2.6% | 2.3% |
| E | 4.5% | 2.7% | 2.4% |
| F | 1.4% | 0.7% | 1.0% |
| G | 0.8% | 0.0% | 0.2% |
| H | 0.5% | 0.0% | 0.3% |
| J | 0.1% | 0.0% | 0.2% |
| M | 0.0% | 0.0% | 0.0% |
| N | 0.1% | 0.0% | 0.1% |
| P\* | 0.2% | 0.0% | 0.1% |
| Q | 0.1% | 0.0% | 0.1% |
| R | 0.4% | 0.0% | 0.1% |
| S\* | 0.1% | 0.0% | 0.0% |
| U | 0.7% | 0.0% | 0.0% |
| W | 0.1% | 0.0% | 0.0% |
| X | 0.4% | 0.0% | 0.0% |
| AF | 0.0% | 0.0% | 0.0% |
| AI\* | 0.2% | 0.0% | 0.0% |
| AJ | 0.2% | 0.0% | 0.0% |
| AN | 0.1% | 0.1% | 0.0% |
| AO | 0.0% | 0.0% | 0.0% |
| AP | 0.0% | 0.0% | 0.0% |
| AT | 0.2% | 0.0% | 0.0% |
| AW | 0.0% | 0.0% | 0.0% |

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1. In February 2021, a revised version including a new cosponsor was circulated. [↑](#footnote-ref-1)
2. More information on the rationale for the approach taken in the Framework can be found in document [RD/AG/81/Rev.1](https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/Jobs/RD-AG/81R1.pdf&Open=True). [↑](#footnote-ref-2)
3. Notifications submitted by Members as of 17 November 2020. [↑](#footnote-ref-3)
4. TDDS is inclusive of all support provided under Article 6 of the AoA. [↑](#footnote-ref-4)
5. Payments based on input use, a coupled form of support policy, is deemed by the OECD to be, along with market price support, one of the most trade and production distorting support polices (Agricultural Policy Monitoring and Evaluation 2020, OECD Publishing, Paris, <https://doi.org/10.1787/928181a8-en>). The OECD has highlighted that "there is also evidence that coupled support can exacerbate environmental impacts by incentivizing farmers to expand production and intensify the use of environmentally damaging inputs. It can also undermine efforts to adapt to climate change by locking farmers into producing certain crops even where conditions are becoming increasingly less suitable" (Agriculture Policy Brief. Food systems and the triple challenge, OECD (January 2021). [↑](#footnote-ref-5)
6. BRINK, Lars & ORDEN, David. "Taking Stock and Looking Forward on Domestic Support under the WTO Agreement on Agriculture". St. Paul, Minnesota: University of Minnesota, Department of Applied Economics, International Agricultural Trade Research Consortium (April 2020). [↑](#footnote-ref-6)
7. For example, as part of its Protocol of Accession, China could provide support through government measures of the forms described in Article 6.2, but the amount of such support would be included in China's calculation of its Aggregate Measurement of Support ("AMS"). A similar provision was maintained in Kazakhstan's Protocol of Accession regarding support provided under Article 6.2. [↑](#footnote-ref-7)
8. According to cosponsors of [JOB/AG/138](https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/Jobs/AG/138.pdf&Open=True), "124 Members are eligible to provide support under Article 6.2". [↑](#footnote-ref-8)
9. 2016 is the most recent year to which all five Members who have been notifying the highest annual expenditure under Article 6.2 circulated a DS:1 notification to the WTO. [↑](#footnote-ref-9)
10. Botswana, Chile, Egypt, Guatemala, Malawi, Mali, Oman, Paraguay, Peru, the Philippines, Seychelles and Sri Lanka. [↑](#footnote-ref-10)
11. One at 7th place in 2017 and another at 10th place in 2015. [↑](#footnote-ref-11)
12. Notifications from the 28 member States of the EU-28 are counted as one for the whole 2001-2019 period, even in cases where the member State was not part of the bloc for some of the years of the series. [↑](#footnote-ref-12)
13. 2016 is also the last year for which there are data available for the top 10 world greatest users of trade- and production- distorting domestic support. [↑](#footnote-ref-13)
14. The number of notifications per year as in Graph 3. [↑](#footnote-ref-14)
15. BRINK & ORDEN, op.cit. [↑](#footnote-ref-15)
16. Authors identified two exceptions "where the Article 6.2 exemptions reached 7% or 8% of VoP in the early years of the 2010 decade". [↑](#footnote-ref-16)
17. BRINK & ORDEN, op.cit. [↑](#footnote-ref-17)
18. Amber Box entitlements is the summation of Final Bound Total Aggregate Measurement of Support entitlements and both product-specific (PS) and non-product-specific (NPS) "*de minimis*" entitlements. For additional Member-specific data on Article 6.2, Amber Box and Article 6, please refer to Annexes 3 and 4 below. [↑](#footnote-ref-18)
19. As of 17 November 2020. [↑](#footnote-ref-19)
20. Product-related specificity was assessed whenever there was a textual reference to a group of products or to a product in the description of the notified measures or whenever there was a material indication that the support had been provided only to a group of products or to a product, such as the provision of agricultural input subsidies for the specific acquisition of seeds or of feed. Product-related specificity was also assessed both in very broad categories, such as "crops” and "livestock", and in narrower categories, depending on description of the notified measures. [↑](#footnote-ref-20)
21. FAO. Policy space for sustainable agriculture in the World Trade Organization Agreement on Agriculture 2020. [↑](#footnote-ref-21)
22. Without prejudice to Members' positions, the "trade-distorting potential" as defined by Costa Rica in [RD/AG/76](https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/Jobs/RD-AG/76.pdf&Open=True) is a good example of a quantitative approach to this concept. [↑](#footnote-ref-22)
23. Source: IISD and IFPRI calculations, based on WTO notifications. In: Glauber et alii. "What National Farm Policy Trends Could Mean for Efforts to Update WTO Rules on Domestic Support". Winnipeg: IISD, April 2020. The study does not include a corresponding table for Members C and D. [↑](#footnote-ref-23)
24. As in [JOB/AG/190](https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/Jobs/AG/190-01.pdf&Open=True), support figures have been rounded up to the nearest entire number. [↑](#footnote-ref-24)
25. If a Member's latest notification for Amber Box support is zero, table cell is filled with the symbol "-". [↑](#footnote-ref-25)
26. As of 17 November 2020. [↑](#footnote-ref-26)
27. For FBTAMS, as per 2019 exchange rates, except for Member F (2018). [↑](#footnote-ref-27)
28. If a Member's VoP is not available according to [JOB/AG/190](https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/Jobs/AG/190-01.pdf&Open=True), table cell is filled with the symbol "#". [↑](#footnote-ref-28)
29. As in [JOB/AG/190](https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/Jobs/AG/190-01.pdf&Open=True), Member F's FBTAMS and notified support was multiplied by the deflator for each year notified before converting into nominal USD. This modification was made in order to reflect how this Member notifies its agriculture domestic support to the WTO. [↑](#footnote-ref-29)
30. The \* sign indicates that this Member is a Least-Developed Country (LDC). [↑](#footnote-ref-30)
31. "Global" refers to all Members with available data as of November 2020, not only those who have notified Article 6.2 support. [↑](#footnote-ref-31)
32. Only 63 Members presented their DS:1 notification for 2016, according to [JOB/AG/190](https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/Jobs/AG/190-01.pdf&Open=True). Among those 63, 26 notified Article 6.2 support. Amber Box and Article 6 expenditure may change due to other Members' incoming notifications. [↑](#footnote-ref-32)
33. As in [RD/AG/74](https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/Jobs/RD-AG/74.pdf&Open=True). If one take into account only the 101 Members analysed in [JOB/AG/190](https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/Jobs/AG/190-01.pdf&Open=True), five Members' shares would be slightly different: 9.6% for A; 4.6%, for E; 3.7% for B; 1.1% for C; and 0.8% for U. [↑](#footnote-ref-33)