

行政院及所屬各機關出國報告  
(出國類別：參加國際研討會)

參加 WTO 「亞太地區農業協定與通知作業研習班(WTO Seminar on the Agreement on Agriculture and Agriculture Negotiations for Asia and Pacific Region)」報告

服務機關：行政院農業委員會農糧署

出國人員：黃馨儀

行政院農業委員會農糧署 技正

出國地區：馬來西亞吉隆坡

出國期間：民國 104 年 10 月 6 日至 104 年 10 月 8 日

報告日期：民國 105 年 1 月

## 公務出國報告摘要

壹、參加 WTO「亞太地區農業協定與通知作業研習班(WTO Seminar on the Agreement on Agriculture and Agriculture Negotiations for Asia and Pacific Region)」報告

貳、執行期間：104 年 10 月 6 日至 104 年 10 月 8 日

參、出國類別：參加國際研習會

肆、前往國家：馬來西亞

伍、出國人員：黃馨儀 行政院農業委員會農糧署技正

陸、會議議程及研討主題摘要：

一、議程要點：

(一)會議名稱：WTO「亞太地區農業協定與通知作業研習班」

(二)主辦單位：WTO 秘書處

(三)會議目的：

1.針對亞太地區 WTO 會員國就農業協定、通知文件製作及相關通知文件業務知識進行培訓，以強化農產貿易及農業政策相關人員能力建構。並就「後峇巴工作計畫」、「MC10 部長會議」等議題進行簡介及未來展望之探討。

2.本研習會將透過會員分組研討及分享，進行關稅減讓模擬試算，以及東協加一相關國家關稅減讓表之個案研究，再透過意見交流互動，達到研習目的。

(四)會議日期、地點及形式：104 年 10 月 6 日至 8 日在馬來西亞吉隆坡，3 天均為上課研習會。

(五)與會國家及人員：共有我國、中國大陸、香港、韓國、泰國、新加坡、馬來西亞、薩摩亞、蒙古、孟加拉、巴布紐幾內亞、斯里蘭卡、印尼、寮國、緬甸、尼泊爾等 16 個會員國，計 30 位人士參加。

## 二、會議結果：

- (一)本次會議有 6 篇課程簡報(詳如附件 2)。
- (二)課程首先就 GATT 及 WTO 農業協定及談判進展進行概述簡介，再分別就「市場進入」、「境內支持」及「出口競爭」等三個主軸進行課程介紹及討論，以及關稅減讓模擬試算，並就第 10 屆後峇里部長會議展望進行簡介。
- (三)邀請新加坡區域貿易研究院講師進行農業貿易之挑戰與機會等課程講解，並就東協加一相關國家關稅減讓表進行分組討論。

參加 WTO「亞太地區農業協定與通知作業研習班(WTO Seminar on the Agreement on Agriculture and Agriculture Negotiations for Asia and Pacific Region)」報告

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附件 1：研習會課程

附件 2：課程簡報

## 一、議程要點

(一)會議名稱：參加 WTO 「亞太地區農業協定與通知作業研習班  
(WTO Seminar on the Agreement on Agriculture and Agriculture  
Negotiations for Asia and Pacific Region)」報告

(二)主辦單位：WTO 秘書處

(三)會議目的：

- 1.針對亞太地區 WTO 會員國就農業協定、通知文件製作及相關通知文件業務知識進行培訓，以強化農產貿易及農業政策相關人員能力建構。並就「後峇巴工作計畫」、「MC10 部長會議」等議題進行簡介及未來展望之探討。
- 2.本研習會將透過會員分組研討及分享，進行關稅減讓模擬試算，以及東協加一相關國家關稅減讓表個案研究，再透過意見交流互動，達到研習目的。

(四)會議日期、地點及形式：104 年 10 月 6 日至 8 日在馬來西亞吉隆坡 The Royale Chulan 飯店上課。

### 會議行程(議程如附件 1)：

時 間	行 程	內 容
10 月 5 日 (星期一)	啟 程	由桃園出發至馬來西亞吉隆坡
10 月 6 日 (星期二)	吉隆坡	Royale chulan Hotel 農業協定及貿易談判展望 市場進入及境內支持
10 月 7 日 (星期三)	吉隆坡	境內支持、糧食安全、 FTA 與 WTO 承諾比較

10月8日 (星期四)	吉隆坡	出口競爭、 農產貿易未來挑戰與機會
10月9日 (星期五)	返程	由吉隆坡返抵桃園

(五)與會國家及人員：共有我國、中國大陸、香港、韓國、泰國、新加坡、馬來西亞、薩摩亞、蒙古、孟加拉、巴布紐幾內亞、斯里蘭卡、印尼、寮國、緬甸、尼泊爾等 16 個會員國參加。

(六)為提高本研習會之效益，對於參與本次課程人員之條件，WTO 提出除必須完成 e-learning 課程外，且須具有辦理 WTO 事務之實務經驗，爰本次研習會由農委會企劃處楊書綺科員及農糧署黃馨儀技正參加。

## 二、研習內容

(一)本次會議分為二部分，一是由 WTO 農業與貨品部門 Ulla KASA 講師就農業協定及其通知，另由新加坡區域貿易研究院講師進行農業貿易之挑戰與機會等課程講解，二分成小組進行分組討論。

(二)三天研習會課程依序為自我評量、農業協定與談判簡介、市場進入、境內支持、糧食安全與貿易、出口競爭、地區農業貿易之機會與挑戰、談判及未來展望，以及課後評量與討論等。課程中並穿插分組討論及分享。課程摘要如下：

### 1. 從 GATT 烏拉圭回合農業協定至 WTO 農業協定<sup>1</sup>

(1)農業係民生基礎產業，在各國均受到相當程度的保護，因此 1995 年之前，關稅暨貿易總協定（General Agreement on Tariffs and Trade, GATT）並未將農產品貿易

<sup>1</sup> 常駐世界貿易組織代表團 <http://www.roc-taiwan.org/WTO/mp.asp?mp=501>

納入多邊規範。直至第烏拉圭回合談判於 1986 年 9 月展開，始首度將農業納入諮商範圍，由於當時各國在農業及智慧財產權等議題立場分歧，該回合談判遲至 1993 年 12 月 15 日始達成協議，並決議成立 WTO。並於 1994 年 4 月 15 日簽署「馬爾喀什設立世界貿易組織協定」(Marrakesh Agreement Establishing The World Trade Organization)，WTO 依上述之設立協定於 1995 年 1 月 1 日正式成立。

(2)WTO 農業協議由會員簽署「農業協定(Agreement on Agriculture，簡稱 AoA)」據以執行，其以市場進入(Market Access)、境內支持(Domestic Support)、出口競爭(Export Competition) 為談判三大支柱。

- a.明訂會員國之農產品關稅納入削減，並訂定約束稅；
- b.針對各國農業境內支持(農業補貼)規範，補貼可分成扭曲貿易之補貼(即琥珀色措施，AMS、限制生產下之直接給付(藍色措施)、及不具貿易扭曲效果之補貼(綠色措施)；其中 AMS 須約束於基期之水準且逐年進行削減惟，無貿易效果之直接給付，如研究、技術指導、環保支付、低度開發地區之給付等，則不在此限；
- c.會員亦承諾逐年減少出口補貼 (Export Subsidy)，及取消非關稅進口障礙 (Non-tariff Barrier, NTB)。我國於入會時即承諾未採行出口補貼措施。

## 2.杜哈回合談判至 MC9 第九屆部長會議

(1)WTO 會員依據烏拉圭回合農業協定第 20 條規範，於 2000 年 3 月展開新回合農業議題談判。WTO 第四屆部長會議嗣於 2001 年 11 月在卡達首都杜哈舉行，會後通過部長

宣言，並定位新回合談判為「杜哈發展議程」(Doha Development Agenda, DDA) 然而，由於各會員對於農業議題立場差異過大，始終無法達成共識。

(2)直到第 9 屆部長會議(MC9, 2013.12.3~7 在印尼峇里召開)，發表 Bali Ministerial Declaration，訂定 Bali Package(與農業有關為 TRQ 管理及出口競爭等議題)，以小型套案方式突破杜哈回合談判的進展，係 WTO 成立 18 年以來最重要成就。

(3)惟迄至 104 年 12 月 15 日至 18 日於肯亞奈洛比舉行第 10 屆部長會議仍決議所有的成員仍堅定地致力推動杜哈議題談判待決議題，包含農業的三大支柱，意即境內支持、市場開放及出口競爭，以及非農產品的市場開放、服務業、發展、智慧財產權及規則等。

### 三、心得與建議

(一)WTO 相關協定規範係為相關自由貿易協定之談判參考基礎(WTO PLUS 先備知識)，因此瞭解 WTO 相關協定對於全球農產貿易自由化趨勢下，以作為未來台灣加入 TPP 或 RCEP 等區域經濟協定，或簽署 FTA 談判之先備知識，有助於開拓我國國際貿易空間。

(二)亞太地區 WTO 會員國大多數小農規模生產模式及開發中國家，在杜哈回合談判中別關切之權益，並重視糧食安全議題。在 WTO 後續談判，持續以開發中國家會員身份爭取我國最大權益為立場。

(三)透過實體英文課程及討論，可強化農業協定專業知識，有助業務推動。

(四)建議同仁平時強化英文能力，並參與 WTO e-learning 線上課程，



與同仁分享上課內容及經驗，持續鼓勵同仁參加國際研討會或訓練課程。

(五)東協加一 FTA 協定為 RCEP 談判基礎，檢視其關稅減讓表可做為未來我國加入 RCEP 談判參考。

上課情形



研習會會場



研習會會場

學員合照





**WTO OMC**

**WTO Regional Seminar on the Agreement on Agriculture and  
Agriculture Negotiations for Asia and the Pacific Region**

**Malaysia, 6-8 October 2015**

**Programme**

**Tuesday 6 October**

- 9:00 – 9:30    Opening Session  
(Representative of the Government of Malaysia)
- 9:30 - 9:45    Self-assessment quiz on agriculture
- 9:45 – 10:45    **Introduction to the Agreement on Agriculture and the negotiations**
- 10:45 – 11:00    Coffee Break
- 11:00 – 12:30    **Market Access pillar:** current rules and commitments and negotiating issues
- 12:30 – 14:00    Lunch Break
- 14:00 – 14:45    **Market Access pillar:** the Bali Ministerial Decision on Tariff Rate Quotas
- 14:45 – 15:45    **Market Access pillar:** practical exercise
- 15:45 – 16:00    Coffee Break
- 16:00 – 17:00    **Domestic support pillar:** current rules and commitments

## Wednesday 7 October

- 9:00 – 10:00 **Domestic support pillar:** negotiating issues
- 10:00 - 11:00 **Domestic support pillar:** the Bali Ministerial Decisions on General Services and Public Stockholding for Food security purposes
- 11:00 – 11:15 Coffee Break
- 11:15 – 12:30 **Domestic support:** practical exercise
- 12:30 – 14:00 Lunch Break
- 14:00 – 15:30 **Food Security in the regional context** (regional expert)
- 15:30 – 15:45 Coffee Break
- 15:45 – 17:00 **Commitments in regional FTAs and WTO** - a comparison (regional expert)

## Thursday 8 October

- 9:00 – 10:45 **Export Competition:** current rules and commitments and negotiating issues; the Bali Ministerial Declaration
- 10:45 – 11:00 Coffee Break
- 11:00 – 12:30 **Trade in agriculture:** opportunities and challenges for the region (regional expert)
- 12:30 – 14:00 Lunch Break
- 14:00 – 15:30 **Negotiations and Prospects Ahead:** Regional Perspective (regional expert)
- 15:30 – 15:45 Coffee Break
- 15:45 – 16:30 Discussions, Quiz on agriculture, Evaluation
- 16:30 – 17:00 Closing Session





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# **Agriculture - Introduction**

**WTO Regional Seminar on the Agreement on Agriculture  
and Agriculture Negotiations for Asia and the Pacific Region**

**Malaysia, 6-8 October 2015**

Ulla KASK  
Agriculture and Commodities  
Division, WTO

World Trade Organization / 154, rue de Lausanne / 1211 Geneva 21 / Switzerland / [ulla.kask@wto.org](mailto:ulla.kask@wto.org)

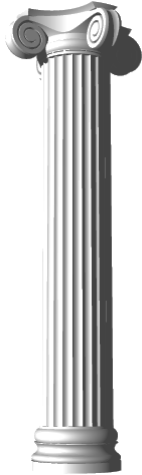
## **Outline**

- A.** Agriculture under GATT
- B.** Agriculture negotiations of the Uruguay Round
  - Agreement on Agriculture
  - Committee on Agriculture
- C.** Negotiation process
  - Special and Differential Treatment

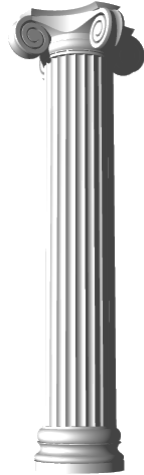
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## 3 Pillars

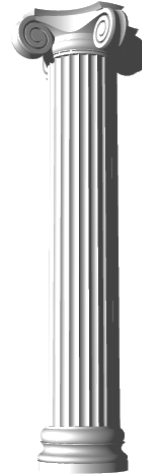
A. Introduction



Market Access  
(MA)



Domestic Support  
(DS)



Export Competition  
(EC)

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## Agriculture under GATT disciplines

A. GATT

### Before 1995

- Only 1/3 of agricultural products had bound tariffs
- “Special” rules for agriculture
  - Non-tariff barriers
  - Export subsidies
- Country specific exceptions and derogations
- Illegal implementation of import restrictions

- Production surplus
- Export subsidies
- Low prices and high volatility
- Disincentive to produce

**Unfair competition**  
Developing countries  
say that there is no  
“level playing field”

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# Uruguay Round 1986-1993

B. Uruguay Round

WTO



## Marrakech Agreement establishing the WTO

Signed on 15 April 1994  
In force since 1 January 1995

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# Are Applicable to Agriculture:

B. Uruguay Round

## Annex 1A Multilateral agreements on trade in Goods

GATT 1994 (General Agreement on Tariffs and Trade)		
<div style="border: 1px solid black; padding: 5px; width: fit-content;"> <p>1A Multilateral agreements on trade in Goods</p> </div> <p>Goods</p>	<p>Understandings</p> <p>Agreements on:</p> <p><b>Agriculture</b></p> <p><b>Sanitary and phytosanitary measures</b></p> <p>Textiles and clothing (expired on 1<sup>o</sup> January 2005)</p> <p>Technical barriers to trade</p> <p>Trade-related investment measures (TRIMS)</p> <p>Antidumping</p>	<p>Marrakech Protocol</p> <p>Customs valuation</p> <p>Preshipment inspection</p> <p>Rules of origins</p> <p>Import licencing</p> <p>Subsidies and countervailing measures</p> <p>Safeguards</p>

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**Where there is any conflict between other WTO agreements and the Agreement on Agriculture (AoA), the provisions of the AoA prevail.**

( § 1 of Article 21)

*"The Committee shall oversee the implementation of the Agreement on Agriculture. [...] shall afford Members the opportunity of consulting on any matter relating to the implementation of the provisions of the Agreement "*

**Mandate (Document WT/L/43)**



## Regular Committee on Agriculture

B. CoA

- All **162 WTO Members**;
- **Observer governments** (acceding members); and
- **IOs with observer status**

4 new WTO Members in 2012: Montenegro (April), Samoa (May), Russia (August) and Vanuatu (August)

2 new WTO Members in 2013: Lao PDR (February) and Tajikistan (March)

2014: Yemen

2015: Seychelles and Kazakhstan



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## Observers in the CoA

B. CoA

### **IOs with observer status:**

- International Grains Council (IGC)
- International Monetary Fund (IMF)
- Organization for Economic Cooperation and Development (OECD)
- United Nations Conference on Trade and Development (UNCTAD)
- United Nations Food and Agriculture Organization (FAO)
- United Nations World Food Programme (WFP)
- World Bank

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## Agriculture Committee Meetings

B. CoA

### Regular sessions:

3 (or 4) meetings per year	
4 March 2015	Informal and formal meetings
4-5 June 2015	Informal and formal meetings
24-25 September 2015	Informal and formal meetings
19-20 November 2015	<i>Informal and formal meetings</i>

### CoA Special sessions:

DDA Negotiations



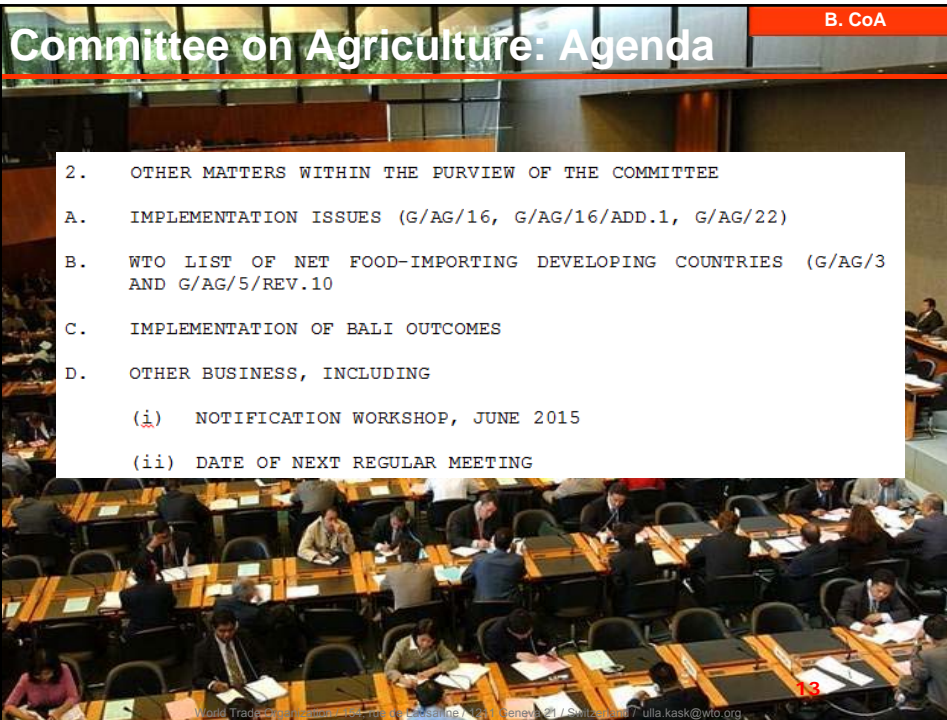
## Committee on Agriculture: Agenda

B. CoA

1. THE REVIEW PROCESS
  - A. MATTERS RELEVANT TO THE IMPLEMENTATION OF COMMITMENTS UNDER THE REFORM PROGRAMME RAISED UNDER ARTICLE 18.6 OF THE AGREEMENT (SEE ATTACHMENT, SECTION A).
  - B. REVIEW OF NOTIFICATIONS
    - (i) NOTIFICATIONS IN RESPECT OF WHICH QUESTIONS HAVE BEEN RAISED IN ADVANCE OF THE ISSUANCE OF THE CONVENING AIRGRAM (SEE ATTACHMENT, SECTION B)
    - (ii) NOTIFICATIONS SUBJECT TO REVIEW IN RESPECT OF WHICH NO QUESTIONS HAVE BEEN RAISED IN ADVANCE OF THE ISSUANCE OF THE CONVENING AIRGRAM (SEE ATTACHMENT, SECTION C)
    - (iii) NOTIFICATIONS CIRCULATED AFTER THE ISSUANCE OF THE CONVENING AIRGRAM
    - (iv) POINTS CONCERNING NOTIFICATIONS RAISED AT PREVIOUS MEETINGS WHICH HAVE BEEN PURSUED BILATERALLY: INFORMATION REGARDING OUTCOME WHERE THE ISSUE INVOLVED IS ONE OF GENERAL INTEREST
    - (v) COUNTER-NOTIFICATIONS (ARTICLE 18.7 OF THE AGREEMENT)
    - (vi) DEFERRED REPLIES TO QUESTIONS RAISED UNDER THE REVIEW PROCESS
    - (vii) OVERDUE NOTIFICATIONS (G/AG/GEN/86/REV.20 and G/AG/W/139)

# Committee on Agriculture: Agenda

B. CoA



2. OTHER MATTERS WITHIN THE PURVIEW OF THE COMMITTEE

- A. IMPLEMENTATION ISSUES (G/AG/16, G/AG/16/ADD.1, G/AG/22)
- B. WTO LIST OF NET FOOD-IMPORTING DEVELOPING COUNTRIES (G/AG/3 AND G/AG/5/REV.10)
- C. IMPLEMENTATION OF BALI OUTCOMES
- D. OTHER BUSINESS, INCLUDING
  - (i) NOTIFICATION WORKSHOP, JUNE 2015
  - (ii) DATE OF NEXT REGULAR MEETING

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## Continuation clause (Art. 20)

B. Uruguay Round

- Continuation of the Reform Process
- New negotiations:
  - experience gained during the implementation period of the AoA
  - effects of Uruguay Round reduction commitments on world trade in agriculture
  - non-trade concerns
  - special and differential treatment
  - objective to establish a fair and market-oriented agricultural trading system

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## Agriculture Negotiations – Timeline

C. Negotiations

- 2000 Agriculture talks start** – Built-in Agenda (Art 20 of the AoA)
  - 2001 Doha Negotiations launched (DDA)**
  - March 2003** - Modalities deadline missed
  - 2003 Cancún Ministerial** – failure to conclude modalities
  - 2004 “July Framework”**
  - 2005 Hong Kong Ministerial**
  - July 2006** – draft modalities (W/3) – negotiations suspended
  - Late 2006** – “Quiet diplomacy”
  - Early 2007** – Resumption of negotiations
  - Aug 2007** – revised draft modalities (W/4)
  - Fall 2007** – intensive negotiations
  - Feb - May 2008** - revised draft modalities W/4/Rev.1, Rev.2 & Rev.3
  - July 2008** – failure to conclude modalities
  - Dec 2008** – W/4/Rev.4 draft modalities
  - 2013** – Bali Package
  - 2015** – ???
- The future:**  
conclude modalities; scheduling;  
legal drafting; &  
DDA conclusion

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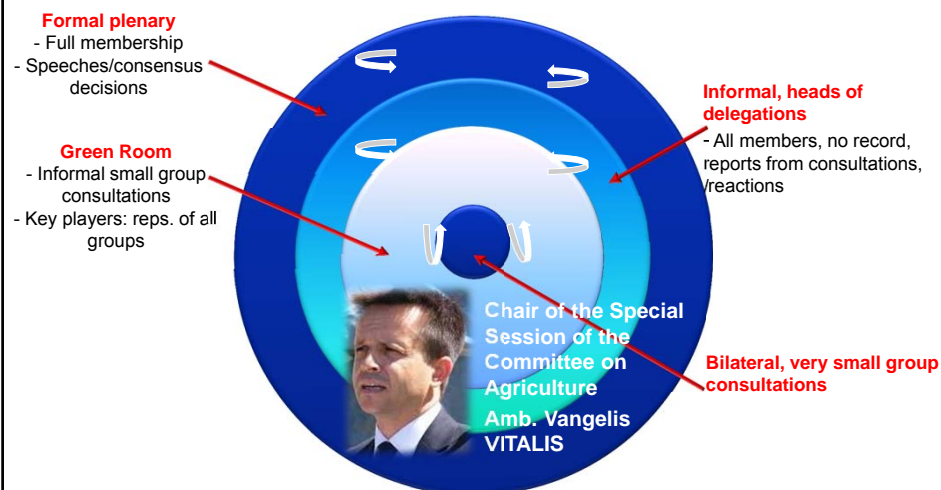
15

## Negotiating Process

C. Negotiations

Concentric circles

Big meetings, small meetings

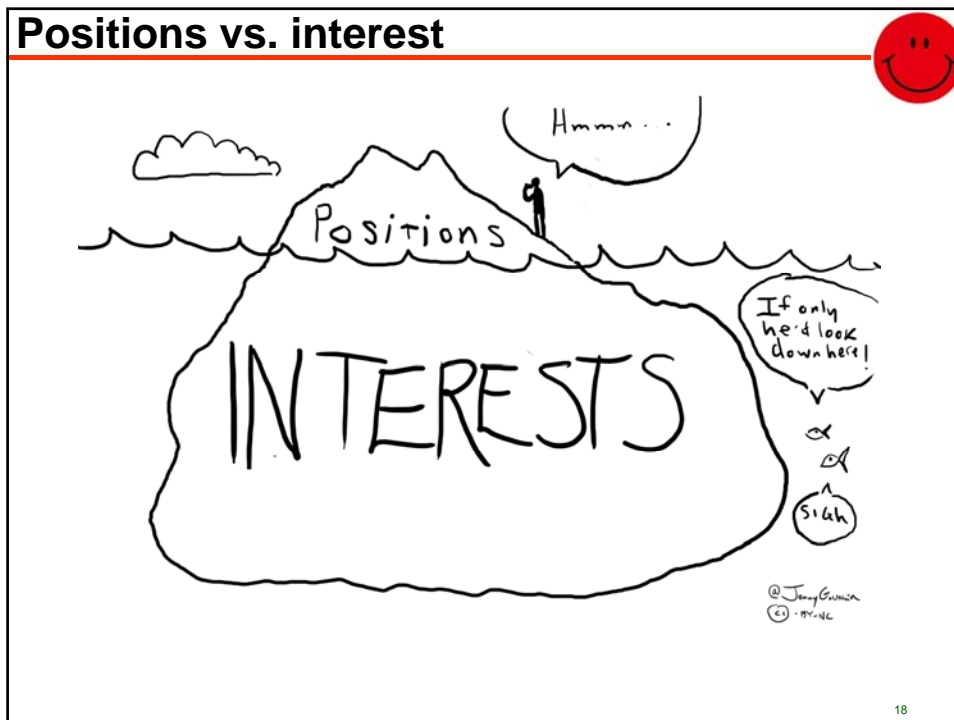
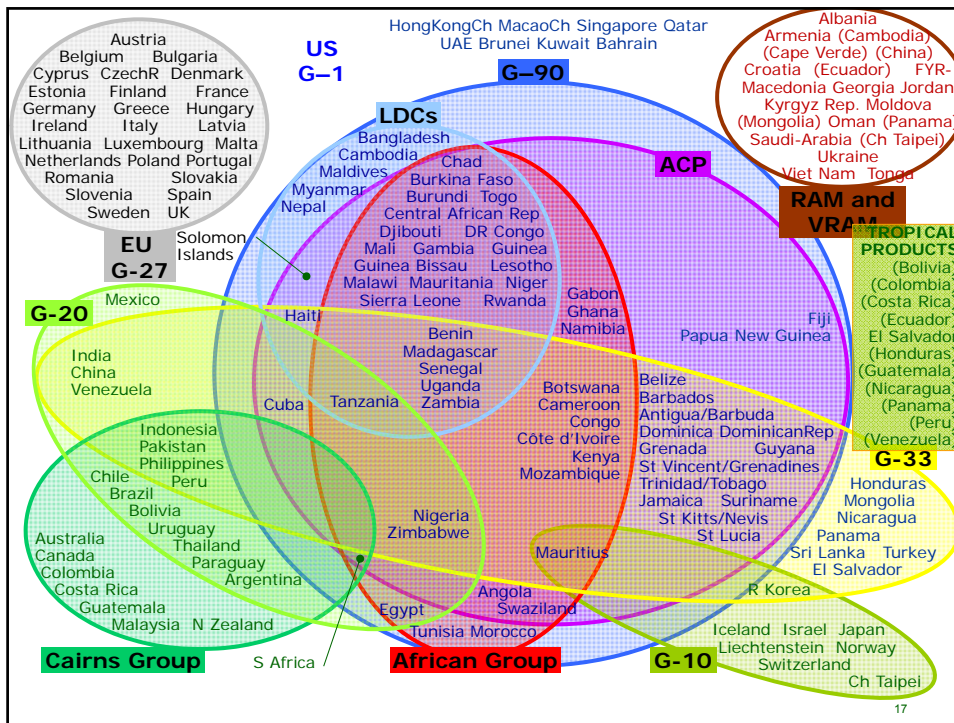


**'Inclusive':** all coalitions represented in consultations  
**'Transparent':** reps. report back to coalitions

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## NB! "Groups" for Special Treatment

C. Negotiations

### ● Developing Countries (DgC)

- NFIDC - net food-importing developing countries
- SVE - Small vulnerable economies
- RAM - Recently-Acceded Members
- VRAM - Very Recently-Acceded Members
- SLIRAMET - Small low-income RAMs with economies in transition
- LDC - Least-developed countries

### ● Developed Countries (DdC), but only if

- RAMs
- VRAMs
- SLIRAMETs

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## NB! Special Treatment

C. Negotiations

	EC	MA	DS
DgC:	X	X	X
- NFIDCs	X		X
- SVE	X	X	
- RAM		X	X
- VRAM		X	X
- SLIRAMET			X
- LDC	X	X	X

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Treatment		C. Negotiations				
	DgC	RAM	SVE	NFIDC	LDC	
Bangladesh	x				x	
China	x	x				
Chinese Taipei	x	x				
Indonesia	x					
Korea	x					
Lao PDR	x				x	
Malaysia	x					
Mongolia	x					
Myanmar	x				x	
Nepal	x				x	
Pakistan	x					
Papua New Guinea	x		x			
Samoa	x					
Singapore	x					
Sri Lanka	x		x	x		
Thailand	x					

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## For more information:

### ● Agriculture

[http://www.wto.org/english/tratop\\_e/agric\\_e/agric\\_e.htm#work](http://www.wto.org/english/tratop_e/agric_e/agric_e.htm#work)

### ● Doha Round

[http://www.wto.org/english/tratop\\_e/dda\\_e/dda\\_e.htm](http://www.wto.org/english/tratop_e/dda_e/dda_e.htm)

### ● The Cotton Sub-Committee

[http://www.wto.org/english/tratop\\_e/agric\\_e/cotton\\_subcommittee\\_e.htm](http://www.wto.org/english/tratop_e/agric_e/cotton_subcommittee_e.htm)

### ● Documents online

[http://docsonline.wto.org/gen\\_home.asp?language=3](http://docsonline.wto.org/gen_home.asp?language=3)

### ● Members' transparency toolkit

[http://www.wto.org/english/tratop\\_e/agric\\_e/transparency\\_toolkit\\_e.htm](http://www.wto.org/english/tratop_e/agric_e/transparency_toolkit_e.htm)



# Market Access

**WTO Regional Seminar on the Agreement on Agriculture  
and Agriculture Negotiations for Asia and the Pacific Region**

**Malaysia, 6-8 October 2015**

Ulla KASK  
Agriculture and Commodities  
Division, WTO

## Outline

A. Introduction

B. Current disciplines

- Tariffs
  - Tariffication / Bindings
- Tariff quotas and their administration
  - Minimum and current access / Bindings / Notifications
- Special safeguards
  - Based on volume / based on price / Notifications

C. Doha negotiations

D. Exercise

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## Pre-Uruguay Round

A. Introduction



Quantitative restrictions



Variable import levies



Minimum import prices



Discretionary import licencings



**Non-tariff measures (NTM)**

NTBs by state trading enterprises



Voluntary import restraints



**Problems:** unpredictable / non-transparent / may prohibit MA

3

## Uruguay Round-A Change to "Tariffs Only"

B. AoA

- How? – Need to establish a tariff equivalent of the non-tariff measure
- Tariffication formula:

$$E = (P_i - P_e) / P_e * 100$$

E = tariff equivalent

P<sub>i</sub> = internal price (representative wholesale)

P<sub>e</sub> = external price (c.i.f. unit values)

Base period average: 1986-88

- Option of ceiling bindings for developing countries

4

## Examples of tariff bindings resulting from “tariffication”

B. AoA

	Product	Binding (%)
Colombia	maize	194
Morocco	beef	239
Canada	chicken cuts	249
Norway	beef	344
Switzerland	butter	1,642 SFr / t

5

## A New Tariff Only Regime

B. AoA

- Art. 4.2 of AoA:
  - “Members shall **not maintain, resort to, or revert to** any measures of the kind which have been required to be converted into ordinary customs duties<sup>1</sup>”
- Concept of “bound” tariffs – including the creation of tariff quotas
- “Ceiling Bindings”

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## All MFN Tariffs To Be Reduced

B. AoA

### Uruguay Round Reduction Commitme

	Developed	Developing
Implementation period	6 years 1995-2000	10 years 1995-2004
Average cut	36%	24%
Minimum cut	15%	10%

No reduction commitments for LDCs

Ceiling bindings implemented at start of implementation period

## Tariffs, but...

B. AoA

### Tariff peaks

Morocco: Minimum tariff 0% Maximum tariff 289%  
Japan: Minimum tariff 0% Maximum tariff 1700%

### Various form

**Ad valorem** (15%)  
**Non-ad valorem:** specific (2\$/kg);  
**Compound** (10% + 2\$/kg);  
**Mixed** (10% or 2\$/kg, whichever is higher);  
**Technical** (9% + EA MAX 18.7% + ADS/Z)

### Tariff escalation

Chinese Taipei: tomatos 10%; tomato juice 30%  
UE: cocoa beans 0%; cocoa paste 9.6%; chocolate 18.7%

-> Effective rate of protection

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## A little bit of theory...Effective rate of protection

B. AoA

$$\text{Effective rate of protection} = \frac{V_t - V_w}{V_w}$$

Where:

$V_t$ : value added with tariffs

$V_w$ : value added at world prices

### Example:

$P_w = \text{US\$ } 100$ ,  $P_{\text{input}} = \text{US\$ } 60$ ,  $t_{\text{pr. final}} = 30\%$ ,  $t_{\text{input}} = 0\%$

$$\text{ERP} = \frac{(130 - 60) - (100 - 60)}{(100 - 60)} = 75\%$$

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## Schedule XXXIX - MALAYSIA

B. AoA

### PART I - MOST-FAVORED-NATION TARIFF SECTION I - Agricultural Products SECTION I - A Tariffs



Tariff item number	Description of products	Base rate of duty		U/B	Bound rate of duty		Implementati on period from/to	SSG	INR	Other duties and charges
		Ad val. (%)	Other		Ad val. (%)	Other				
1	2	3			4		5	6	7	8
0101	Live horses, asses, mules and hinnies -									
0101.11.100	race horses	0			0		1995/2004			
0101.11.900	other	6			5		1995/2004			
0101.19	Other:									
0101.19.100	race horses	0			0		1995/2004			
0101.19.900	other	6			5		1995/2004			
0101.20.000	Asses, mules and hinnies	6			5		1995/2004			
0102	Live bovine animals									
0102.10.100	cattle	6			5		1995/2004			
0102.10.200	Buffaloes	6			5		1995/2004			
0102.10.900	other	6			5		1995/2004			
...										
0103	Live swine									
0103.10.000	Pure-bred breeding animals	0			0		1995/2004			
0103.91.000	Weighing less than 50 kg.	23			21		1995/2004	SSG		
0103.92.000	weighing 50 kg or more	23			21		1995/2004	SSG		
0104.10.000	Sheep	6			5		1995/2004			
0104.20.000	Goats	6			5		1995/2004			

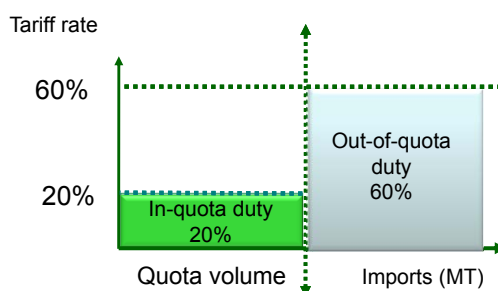
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## Tariff Quotas

B. AoA

- Current and Minimum Access Opportunities  
3% - 5% of domestic consumption
- Low tariff for limited volumes – in-quota tariff rate
- High tariff for imports outside the quota volume – out-of-quota tariff rate (MFN rate)



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## Tariff Quota Administration

B. AoA

- Principle methods used to administer TQs:
  - Applied tariffs
  - First-come, first-served
  - Licence on demand
  - Historical importers
  - Producer groups
  - Imports by STEs
  - Auctioning

Could be a possible cause for TQ underfill?

## Switzerland – Tariff Quotas 2007

B. AoA



TQ	Product description	Average tariff rates <sup>a</sup> 2007 (%)		Quota commitment	Fill ratio (%)	
		In-quota	Out-of-quota		2006	2007
1	Live horses, asses, mules, and hinnies (units)	0.7	52.2	3,322	76.8	87.5
2	Live bovine animals (units)	2.4	130.9	20	6,700.0	4,750.0
3	Live swine (units)	2.1	210.8	50	0.0	0.0
4	Live sheep and goats (units)	1.2	40.2	187	295.7	135.3
5	Animals for slaughter; meat mainly produced on the basis of coarse fodder (tonnes)	16.1	140.7	22,500	165.1	168.5
6	Animal for slaughter; meat mainly produced on the basis of concentrated fodder (tonnes)	6.4	128.6	54,500	85.5	92.9
7	Dairy products, in milk equivalent (tonnes)	7.8	83.9	527,000	106.7	106.4
8	Casein (tonnes)	0.4	1.6	697	87.7	5.7
9	Birds' eggs, in shell (tonnes)	25.9	13.8	33,735	91.7	98.8
10	Dried egg products (tonnes)	35.0	29.4	977	165.8	155.9
11	Other egg products (tonnes)	26.3	81.8	6,866	115.7	101.2
12	Bovine semen (doses)	1.0	25.3	20,000	2,207.5	1,923.0
13	Cut flowers (tonnes)	1.9	43.5	4,590	165.5	75.8
14	Seed and table potatoes; potato products (tonnes)	10.4	58.7	22,250	266.2	211.9
	[...]					

a The averages are based on ad valorem equivalents.

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## Members with TRQs

B. AoA

Australia	India	Philippines
Barbados	Indonesia	Russia
Brazil	Iceland	South Africa
Canada	Israel	Switzerland
Chile	Japan	Chinese Taipei
China	Korea, Rep	Thailand
Colombia	Malaysia	Tunisia
Costa Rica	Morocco	Ukraine
Dominican Rep.	Mexico	United States
El Salvador	Moldova	Venezuela, Boliv. Rep.
Ecuador	Nicaragua	Viet Nam
European Union	Norway	
FYROM	New Zealand	
Guatemala	Panama	

## Special Safeguard – Article 5

B. AoA

Additional import duty on over-quota imports, temporarily, if:

- Tariffication
- SSG in Schedule
- Volume or price triggers (notification)

33 members have reserved the right

### Volume-based SSG

Trigger: import surges  
Extra duty: 1/3 of applied rate

### Price-based SSG

Trigger: price falls  
Extra duty depends on price

Option available only for “tariffied” products

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## Members who have reserved the right to use the SSG

B. AoA

Australia	Barbados	Botswana
Canada	Colombia	Costa Rica
Ecuador	El Salvador	European Union
Guatemala	Iceland	Indonesia
Israel	Japan	Korea
Malaysia	Mexico	Morocco
Namibia	New Zealand	Nicaragua
Norway	Panama	Philippines
Chinese Taipei	Thailand	Tunisia
United States	Uruguay	South Africa
Swaziland	Switzerland-Liechtenstein	Venezuela

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# Doha Negotiations

C. Draft modalities

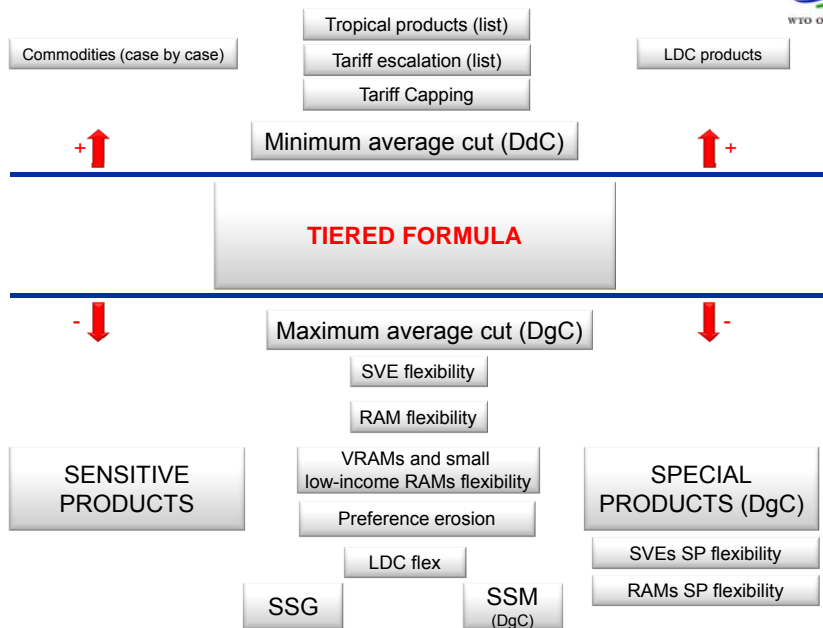


## Objective

“...substantial improvements in market access...”

# The Market Access Pillar

C. Draft modalities



## Tariff Cuts and Flexibilities for Developed Countries

C. Draft modalities

TIERED FORMULA	
Threshold/Tier/Band (tariffs)	Cuts
< 0-20%	50%
< 20-50%	57%
< 50-75%	64%
> 75%	70%

**Overall minimum average cut of 54%**

### Sensitive products

- In general, [4] % of tariff lines (Japan and Canada ask for more)
- Lower tariff cuts but quid pro quo expansion of tariff quotas
- New tariff quotas ?

### Tariff caps

- 100% in the case of non-sensitive products (with limited exceptions)

30

## Tariff Cuts for Developing Countries

C. Draft modalities

Threshold/Tier/ Band (tariffs)	Cuts (2/3rds DdC cuts)	SVEs	RAMs*
		Cuts	Cuts
0-30%	33.3%	23.3%	25.3%*
30-80%	38%	28%	30%
80-130%	42.7%	32.7%	34.7%
>130%	46.9%	46.9%	38.9%

**Overall maximum average cut of 36%**  
(Venezuela 30%, S&D for Bolivia & Suriname)

**Tariff caps:** 150%, but does not apply to sensitive and special products

- \* No cuts if tariff less than or equal to 10%  
Very recent RAMs and small low-income RAMs with economies in transition exempt from reduction commitments  
Long implementation period

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## Flexibilities for Developing Countries

C. Draft modalities

### Sensitive Products

- 5.3% of tariff lines (1/3 more than DdC)
- deviations from the tiered formula with lower tariff quota expansion commitments than for DdC
- possibility for longer implementation periods

### Special products

	Treatment		
	# TL	# TL with zero tariff cut	Average cut SP
<b>SVE</b> → DgC	12%	5%	11%
RAM	13%	5%	10%

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## Small, Vulnerable Economies (SVEs)

C. Draft modalities

### Tariff reduction flexibility

#### Either

- Apply moderated tiered cuts  
*plus*  
Sensitive Products flexibility  
*plus*  
Special Products flexibility

#### or

- Simply meet an average cut target of 24%

33

## Special Safeguard (SSG)

C. Draft modalities

### Developed countries

- reduce coverage to 1% of schedule tariff lines on 1<sup>st</sup> day of implementation
- Remaining SSG coverage eliminated after 7 years
- If a tariff line with the SSG is a Sensitive Product, must use greatest deviation (2/3rds) and tariff quota expansion (4%)

### Developing countries

- reduce coverage to 2.5% on 1<sup>st</sup> day of implementation

### SVEs

- reduce coverage to 5% of tariff lines over 12 years

34

## SSM – Volume-based

C. Draft modalities

### Remedies **NOT EXCEEDING** pre-Doha bound tariff rates

Base: rolling average of imports over 3 preceding years

Thresholds (para 134)	Remedies
>110% < 115%	25% current bound tariff <b>or</b> 25 percentage points
≥ 115% <135%	40% current bound tariff <b>or</b> 40 percentage points
≥ 135%	50% current bound tariff <b>or</b> 50 percentage points

### Remedies **EXCEEDING** pre-Doha bound tariff rates (TN/AG/W/7)

- reasons: situations where pre-Doha tariffs = post-Doha tariffs  
i.e. LDC, VRAM, SVE (part of TLs), RAM (tariffs ≤ 10%), DgC (SP with zero cut)

### TN/AG/W/7 suggests 2 triggers & remedies for exceeding pre-Doha bindings:

- 120% - 140% - 1/3 of current bound or 8 percentage pts whichever is higher
- >140% - 1/2 of current bound or 12 percentage points whichever is higher

### Other issues:

- Length of remedy
- Cross-check (not normally applicable if domestic price falling)
- Limitation on scope (2.5% TLs?)

35

## SSM – Price-based

C. Draft modalities

Trigger	Remedy
85% of three year monthly average	85% of difference between trigger price and import price max duty current bound duty

- Applied on a shipment-by-shipment basis
- Cross check (not normally applicable if import volumes manifestly declining)

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## Members' SSM submissions (2009-2014)

C. Doha Round

- G-33: Treatment of SSM provided to the SVEs (TN/AG/GEN/29)
- G-33: Refocusing discussions on the SSM (TN/AG/GEN/30)
- G-33: Price and Volume cross-check conditionalities (JOB/AG/3)
- G-33: Seasonality (JOB/AG/4)
- G-33: Issues and concerns on the price-based SSM (JOB/AG/5/Rev.1)
- G-33: Flexibilities for SVEs (JOB/AG/6)
- G-33: Pro-rating (JOB/AG/7)
- G-33: Textual proposal for SSM (JOB/AG/29)
- Australia/Canada: Analysis of the volume-based SSM (JOB/AG/10)
- Costa Rica: SSM: A contribution toward a balanced debate (JOB/AG/13)
- Ukraine: Issues and concerns on the SSM (JOB/AG/14)
- Philippines: Specific textual proposal on special safeguard mechanism (SSM) for low tariff bindings (JOB/AG/19)



## Tropical Products & Preference Erosion

C. Doha Round

- Existing text:
  - Tropical products – essentially seeking greater tariff reductions than under the tiered formula
  - Preference erosion – normally tariff reductions but greater implementation period
- 15 December 2009: 3 agreements between interested countries:
  1. Geneva Agreement on Trade in Bananas of December 2009 (WT/L/784), between the EU and the Latin American MFN banana suppliers;
  2. Agreement on Tropical Products between the Tropical Products Group and the EU; and
  3. Agreement on Preference Erosion between the Tropical Group and the African, Caribbean and Pacific Group (ACP)
- 8 November 2012 - certification of the new EU banana schedule

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## Other elements of Market Access

C. Draft modalities

- **Tariff escalation**
- **Commodities** – inter alia, if tariff escalation not eliminated, Members to engage with commodity-dependent producers to find satisfactory solution
- **Tariff simplification**
- **Tariff quotas**
  - reductions in bound in-quota tariff rates
  - tariff quota administration
- **LDCs** – inter alia, duty- and quota-free access for at least 97 percent of products at a tariff line level
- **Cotton market access** - duty- and quota-free for cotton exports from LDCs

40

## New Approaches

C. New Approaches

- Argentina request/offer (JOB/AG/36)
  - No formula reductions
  - Request/offer across agriculture, NAMA and Services
- Paraguay non-paper (RD/AG/37)
  - Avg cuts and minimum cuts by line (moderated for developing countries & RAMs)
  - No cuts on low duties for all Members
  - Special products, Sensitive products
  - TRQ expansion, in-quota duties
  - Tariff cap, tariff escalation, tropical products
  - Complemented by request/offer
  - Simplification – best endeavour
  - (no safeguard included)
- Tropical Products Group (Job/AG/33)
  - Modalities based on the Banana Agreement (circulated as fax)
- ACP proposal (JOB/TNC/46)
- ACP submission (JOB/TNC/50)

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# Domestic Support

**National Seminar on the Agreement on Agriculture, the Doha negotiations and the Post-Bali Work Program discussions**

**Beijing, 22-24 April 2015**

Ulla KASK  
Agriculture and Commodities  
Division  
WTO

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## Outline

A. Introduction

B. Current Disciplines

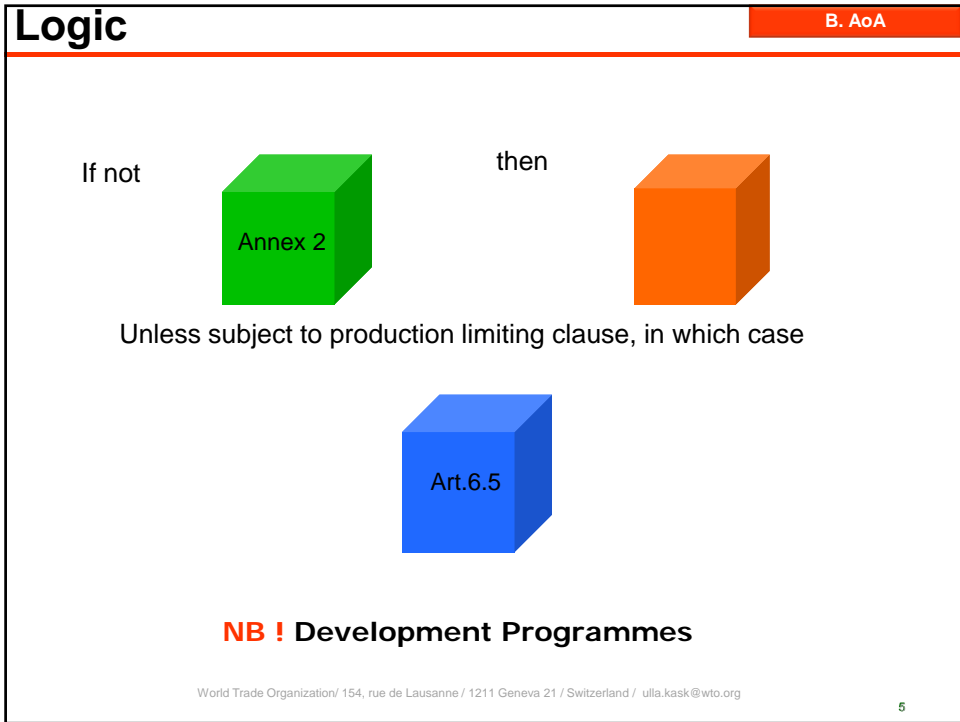
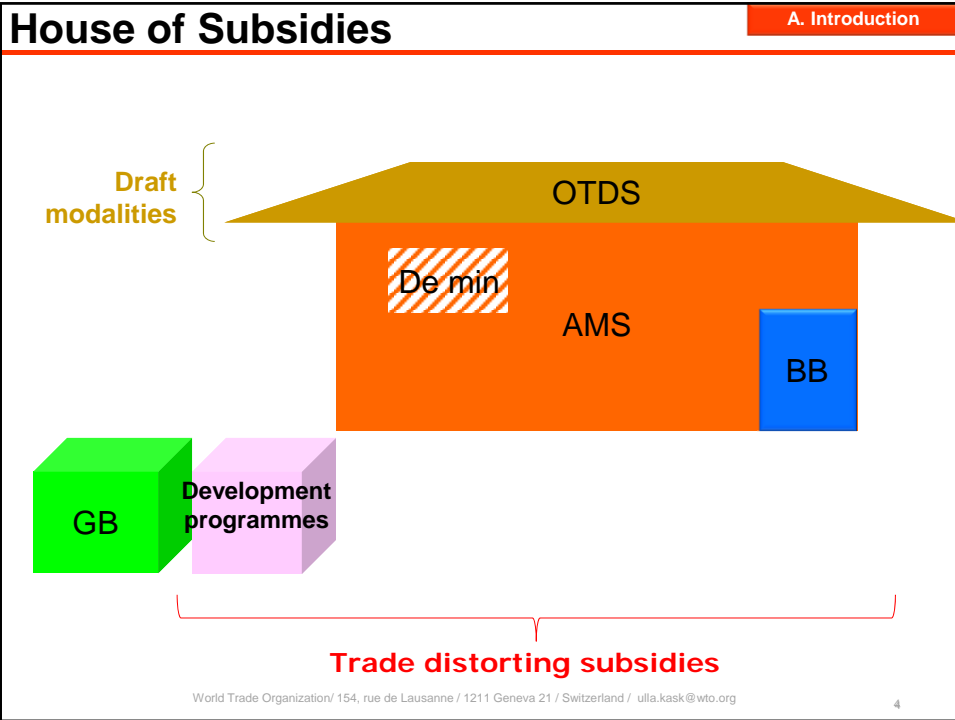
- Green Box
- Blue Box
- Article 6.2 – Development Programmes
- Amber Box

C. Doha Round negotiations



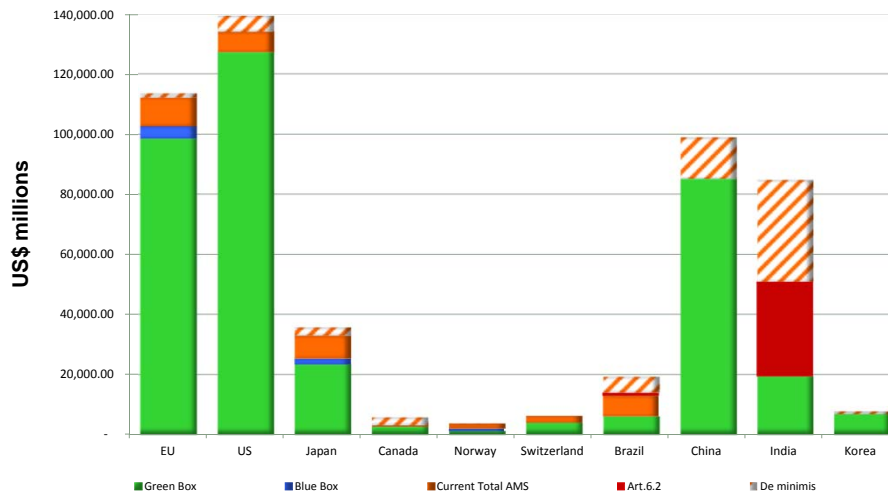
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## DS Categories

B. AoA



Based on the latest notification/data available (Canada 2011, EU 2011/2012, Japan 2012, Korea 2011, Norway 2013, Switzerland 2012, US 2012, Brazil 2012/13, China 2008, India 2010/11)

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## Green Box

B. AoA

Basic  
criteria

✓ No, or at most minimal, distorting effects on  
- trade *or*  
- production

Assistance:

- ✓ provided through publicly funded government programme
- ✓ **not** involving transfers from consumers
- ✓ **not** resulting in price support to producers

**GB** support can be used without **limitation** if it complies with the criterias of **Annex 2** of the AoA

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## Green Box – Scope

B. AoA

### General services including:

- research
- pest and disease control
- training
- extension/advisory services
- inspection
- marketing and promotion
- infrastructural services

**Public stockholding for food security purposes (para. 3)**

**Domestic food aid (para. 4)**

### Direct payments including:

- decoupled income support
- income insurance and income safety-net
- relief from natural disasters
- structural adjustment assistance
  - producer retirement
  - resource retirement
  - investment aids
- environmental programmes
- regional assistance programmes

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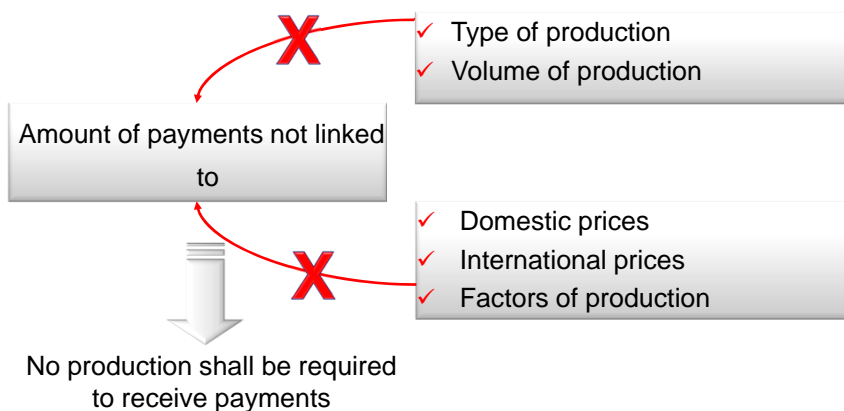
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## “Decoupling”

B. AoA

Example: Decoupled income support (para. 6)

Eligibility – clearly-defined criteria ...in a defined and fixed base period

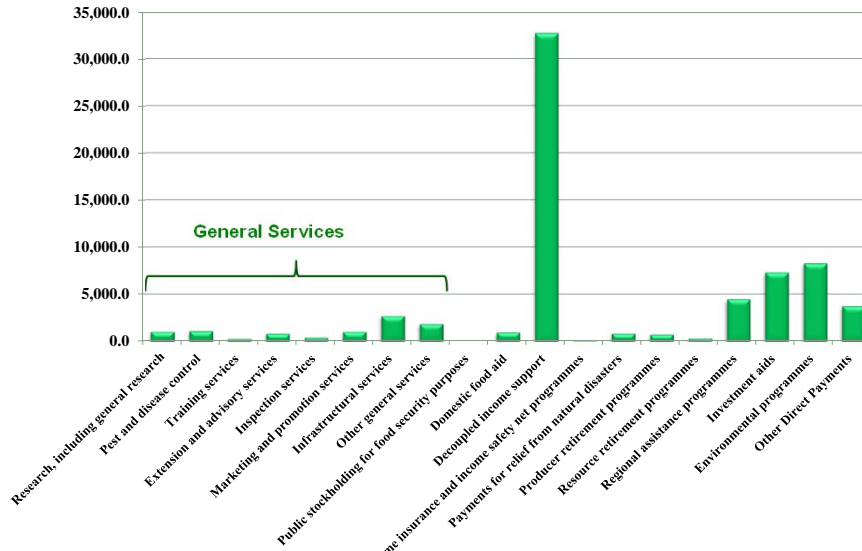


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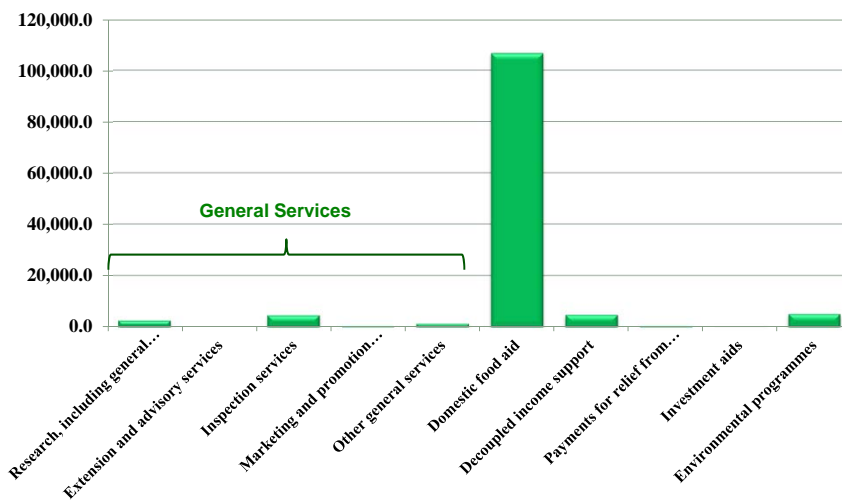
### Green Box – European Union 2011/12 (€millions)



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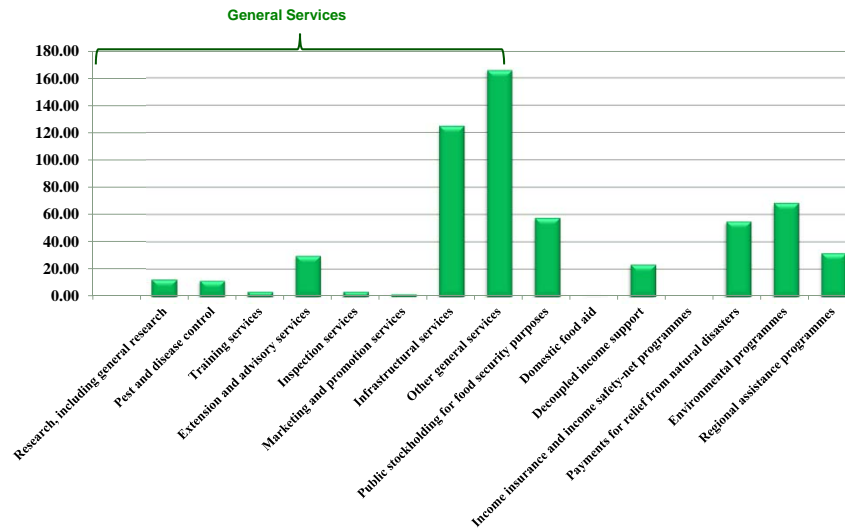
### Green Box – United States FY 2012 (US\$ millions)



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## Green Box – China 2008 (¥ billions)



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## Blue Box

### Art. 6.5 of AoA

Direct payments under production-limiting programmes exempt from reduction if:

- ✓ based on **fixed** area and yields; or
- ✓ made on  $\leq 85\%$  of base level of production; or
- ✓ livestock payments are made on a **fixed** number of head



### Examples:

Japan – Rice farming income stabilisation programme  
Norway – Structural income support to dairy farmers

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## Article 6.2 - Development Programmes

B. AoA

**Trade-distorting programmes** for developing and least-developed countries that would otherwise be included in **the Amber Box** (Aggregate Measurement of Support)

**Development Programmes exempt from reduction:**

Direct or indirect government assistance to encourage agricultural and rural development:

- **investment subsidies** generally available
- **input subsidies** generally available to low-income or resource-poor producers
- support to encourage **diversification** from growing illicit narcotic crops

**Examples:**

**Bangladesh – 2% interest rebate for repayment of loan on schedule**  
**Thailand – Farming input assistance programme**

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### DOMESTIC SUPPORT: Brazil REPORTING PERIOD: 2012/2013

B. AoA

**Measures exempt from the reduction commitment – Special and Differential Treatment – "Development Programmes"**

Measure type	Name and description of measure with reference to criteria in Article 6.2	Monetary value of measure in year in question (US\$ '000)	Data sources
1	2	3	4
Funds for variable input acquisitions <sup>1</sup>	PRODUCTION CREDIT - Government and private funds, mostly compulsory, allocated to production at preferential interest rates generally available to low-income or resource-poor producers (under PRONAF Program)	141,251.9	MAPA
Funds for agricultural investments <sup>2</sup>	INVESTMENT CREDIT - Government and private funds, directed to improve rural structure, acquisition of machines, equipment and vehicles	892,796.8	MAPA
Debt rescheduling programmes <sup>3</sup>	DEBT RESCHEDULING - Rescheduling of debts in longer terms and most favourable conditions (under PRONAF and PROCERA Programmes)	35,925.9	National Treasury
	Total	1,069,974.7	

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## Amber Box (AMS)

B. AoA

All other forms of domestic support

The Aggregate Measurement of Support (AMS):

“... is calculated in accordance with the provisions of **Annex 3** of this Agreement

and

taking into account the constituent data and methodology used in the tables of **supporting material** incorporated by reference in Part IV of the Member's Schedule”


(Art. 1, AoA)

## Total AMS Reduction Commitments

B. AoA

### Members with reduction commitments

Argentina	Iceland	Morocco	Chinese Taipei
Australia	Israel	New Zealand	Tajikistan
Brazil	Japan	Norway	Thailand
Canada	Jordan	Papua New Guinea	Tunisia
Colombia	Korea (Rep. of)	Russia	Ukraine
Costa Rica	Mexico	Saudi Arabia	United States
European Union	Moldova	South Africa	Venezuela
FYR of Macedonia	Montenegro	Switzerland-Liechtenstein	Vietnam

AMS – Schedule of Commitments		B. AoA	
 <b>Schedule LXXIX - THAILAND</b>			
<i>PART IV - AGRICULTURAL PRODUCTS: COMMITMENTS LIMITING SUBSIDIZATION</i> <i>(Article 3 of the Agreement on Agriculture)</i> <i>SECTION I - Domestic Support: Total AMS Commitments</i>			
BASE TOTAL AMS (million Baht)	Years of implementation 1995 - 2004	Annual and final bound commitment levels (million Baht)	Relevant Supporting Tables and document reference
1	2	3	
22,126.18	1	21,816.41	AGST/THA
	2	21,506.64	Supporting Tables 4, 5, 8 and 9
	3	21,196.87	
	4	20,887.10	
	5	20,577.33	
	6	20,267.56	
	7	19,957.79	
	8	19,648.02	
	9	19,338.25	
	10	19,028.48	
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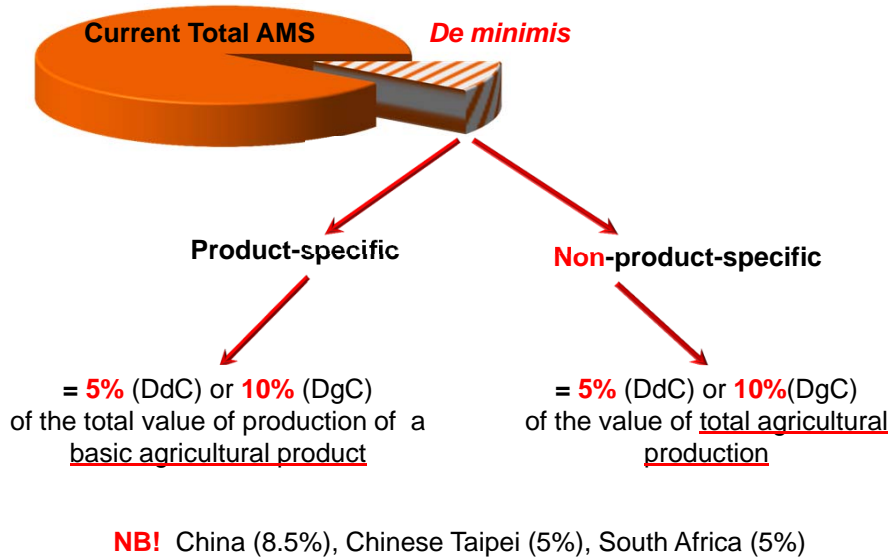
20

Total AMS Reduction Commitments		B. AoA	
	Developed countries	Developing countries	
Implementation period	6 years (1995-2000)	10 years (1995-2004)	
Cut in Total AMS	-20%	-13.3%	
<i>De minimis</i> allowance	5%	10%	
<p>No reduction commitments for LDCs</p> <p>What if there is no Total AMS commitment? - <i>De Minimis</i></p>			
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## De minimis

B. AoA



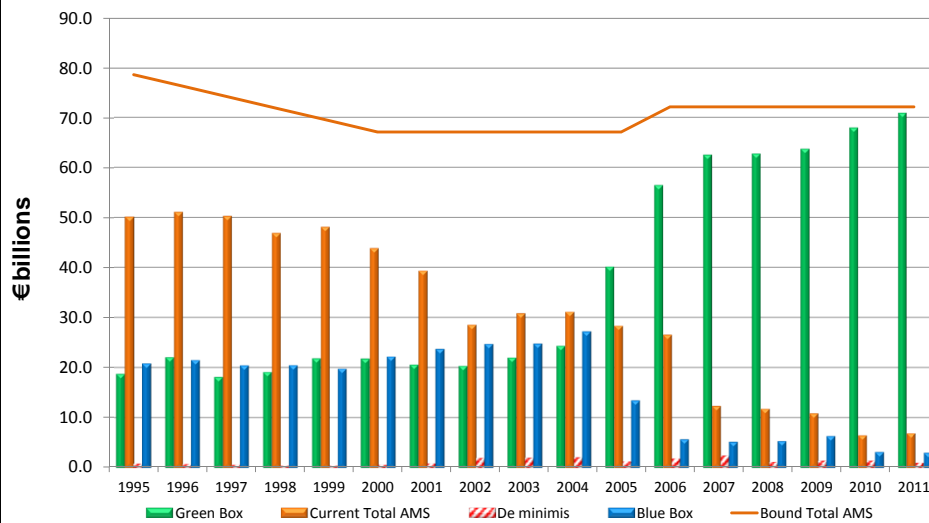
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B. AoA



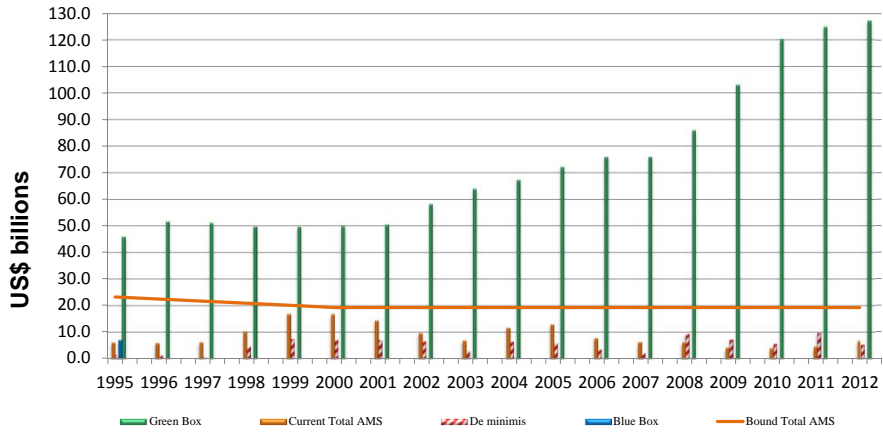
## European Union



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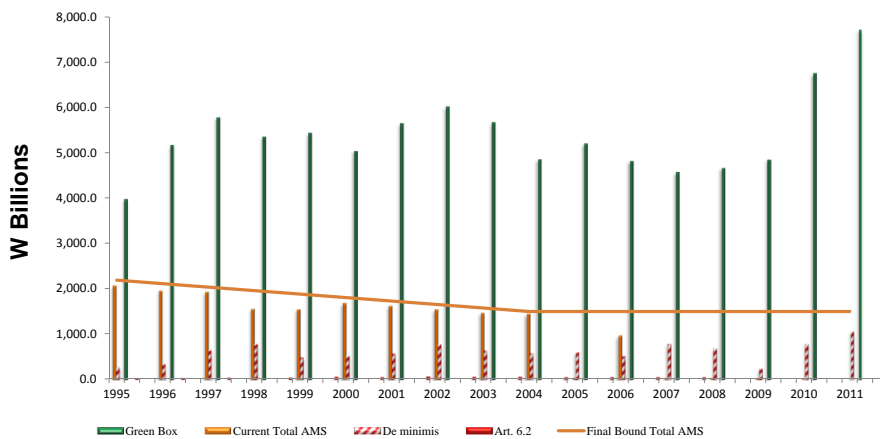
# United States



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# Korea



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## Domestic Support

C. Doha Round



### Objective:

“... substantial reductions in trade-distorting domestic support ...”

## New Concept – OTDS

C. Draft modalities

### New Concept – Overall Level of Trade-distorting domestic support

Final Bound Total AMS

S&D for DGCs

+

10% (20%\*) of average value of production  
in the 1995-2000 (or 1995-2004\*)

2 x de  
minimis !

+

The higher of:  
average Blue Box payments as notified to the  
Committee on Agriculture,  
or 5% of the average total value of production,  
In 1995-2000 (o 1995-2004\*)

=

**Base level**

\* For DgC

## Reductions in OTDS

C. Draft modalities

- **Tiered reduction formula** – higher cuts for higher levels of OTDS

Tier	Threshold (US\$ billion)	Cuts
1	> 60 (EU)	80%
2	10-60 (US and Japan)	70%
3	< 10 (all other DdC)	55%

### Minimum overall commitment

- DdCs with high relative levels of OTDS in the second tier ( $\geq 40\%$  of VoP) to undertake additional 5% effort (Japan)

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## Reductions in OTDS

C. Draft modalities

### Special & Differential Treatment

- DgC reduction
  - 2/3rds of DdC cuts in the third tier (37%)

### BUT

- DgC exempt from OTDS reductions if:
  - Do not have Final Bound Total AMS;
  - NFIDCs (as listed in G/AG/5/Rev.8);
  - small low-income RAMs with economies in transition
  - very recently acceded Members

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## Reductions in Final Bound AMS

C. Draft modalities

- **Tiered reduction formula** – higher cuts for higher levels of AMS

Tier	Threshold (US\$ billion)	Cuts
1	> 40 (EU)	70%
2	15 - 40 (US and Japan)	60%
3	< 15 (all other DDC)	45%

- DdCs with high relative levels of AMS ( $\geq 40\%$  of VOP) to undertake **additional effort** =  $\frac{1}{2}$  difference between tiers  
(Japan, Iceland, Norway, Switzerland)

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## Reductions in Final Bound AMS

C. Draft modalities

### Special & Differential Treatment

- DgC - 2/3rds of DDC cuts in the third tier

### BUT

- DgC exempt from AMS reductions:
  - If AMS  $\leq$  US\$100 million
  - NFIDCs (as listed in G/AG/5/Rev.8);
  - Very recent RAMs and small low-income RAMs with economies in transition

### Continued access to provisions of Article 6.2

(development programmes)

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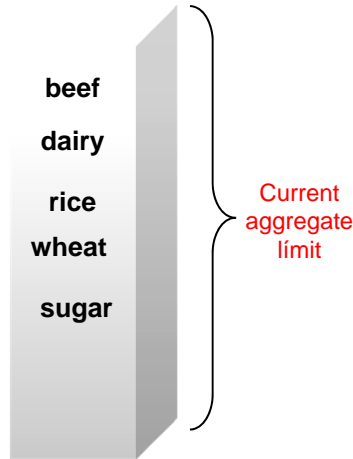
35



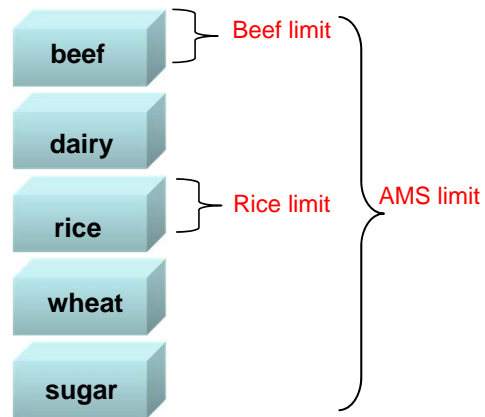
## Product-Specific AMS Limits

C. Draft modalities

Current situation:  
Aggregate AMS



New product-specific  
AMS limits



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## De minimis

C. Draft modalities

### Developed Countries

- Reduce by at least 50% but more if necessary to meet OTDS

### Special and Differential Treatment

- Reduce by at least 2/3rds of DdC but more if necessary to meet OTDS commitment
- RAMs with *de minimis* of 5% reduce by at least 1/3rd DDC reduction
- Longer implementation period

### Exempt from reductions

- i) DgC with no Final Bound Total AMS;
- (ii) DgC with AMS but which allocate almost all that support to subsistence and resource poor producers;
- (iii) NFIDCs as list in G/AG/5/Rev.8;
- (iv) Very recently acceded Members;
- (v) Small low-income RAMs with economies in transition

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## Blue Box

C. Draft modalities

- Additional criteria – expansion of policy coverage to include direct payments that do **not** require production
- Overall cap on Blue Box – **2.5%** of average total value of agricultural production, 1995-2000
- Product-specific limits

### Special and Differential Treatment

- Blue Box cap at **5%** of the average total value of agricultural production, either over the period 1995-2000 or 1995-2004
- Flexibilities with respect to determining the product-specific limits

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## Green Box

C. Draft modalities

- **General services** – *programmes related to land reform and rural livelihood security, such as: land rehabilitation; soil conservation and resource management; drought management and flood control; rural employment programmes; issuance of property titles; and farmer settlement programmes - Bali*
- **Public stockholding for food security purposes – Bali**
- **Direct payments:**
  - Decoupled income support
  - Payments for relief from natural disasters (incl. relaxing the 30% criteria for DgC)
  - Structural adjustment assistance provided through investment aids
  - Payments under regional assistance programmes (a disadvantaged region must no longer be a contiguous geographical area for DgC)
  - “Fixed and unchanging” historical base period
- **Improved monitoring**

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# Cotton

C. Draft modalities

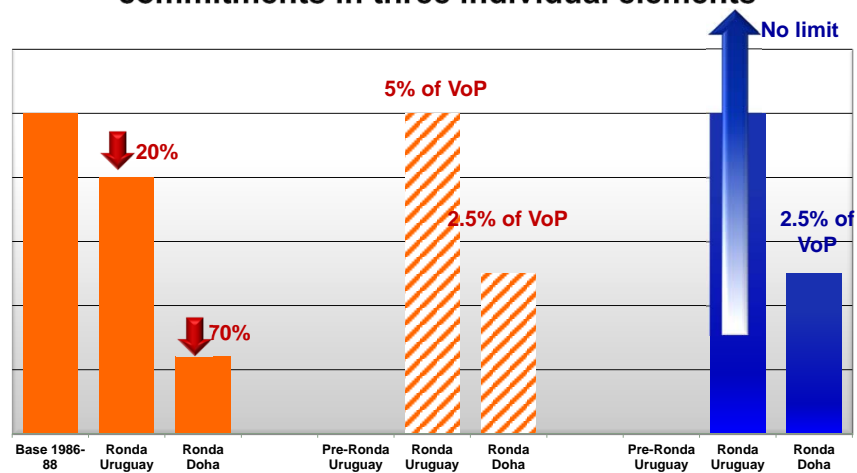


- Key element of the round
- Reductions trade-distorting support:
  - to be more ambitious; and
  - implemented more expeditiously
- C4 proposal currently in draft modalities

# Summary – Domestic Support

C. Draft modalities

**New: OTDS concept/commitment plus deeper commitments in three individual elements**



## Some possible results...

C. Draft modalities



Final OTDS:  
AMS: US\$ 19,1 bn

→ US\$ 14,5 bn  
US\$ 7,6 bn



Final OTDS (EU-27) :  
AMS (EU-15): €67,16 bn

→ €23,8 bn (US\$ 31.6 bn)  
€20,1 bn (US\$ 26.7 bn)



Final OTDS:  
AMS: ¥3,973 bn

→ ¥1 362 bn (US\$ 12.9 bn)  
¥1 192 bn (US\$ 11.3 bn)



Base (=final) OTDS

¥ 515.5 bn (US\$83.9 bn)

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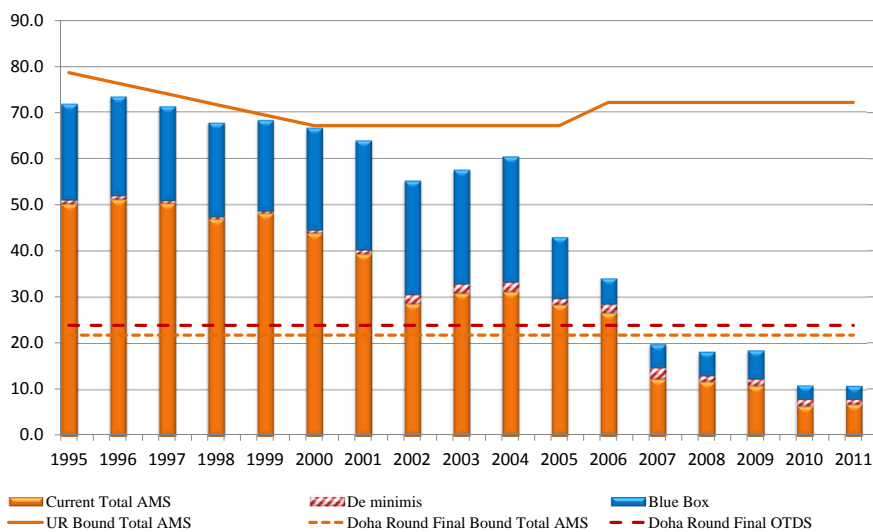
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## Trade-distorting Support (€ bn)

C. Draft modalities

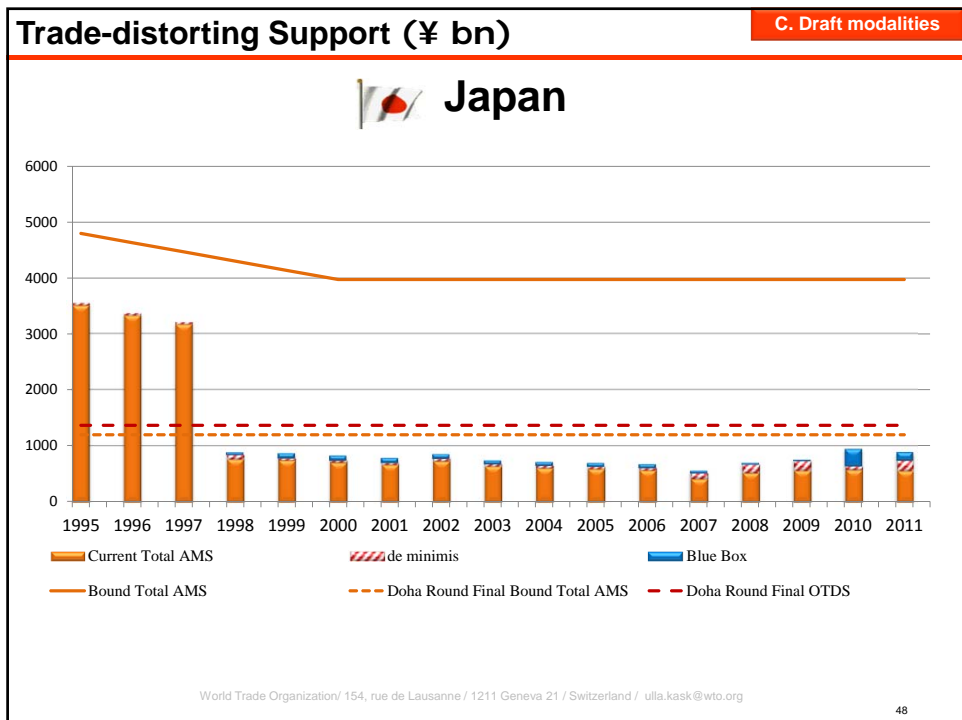
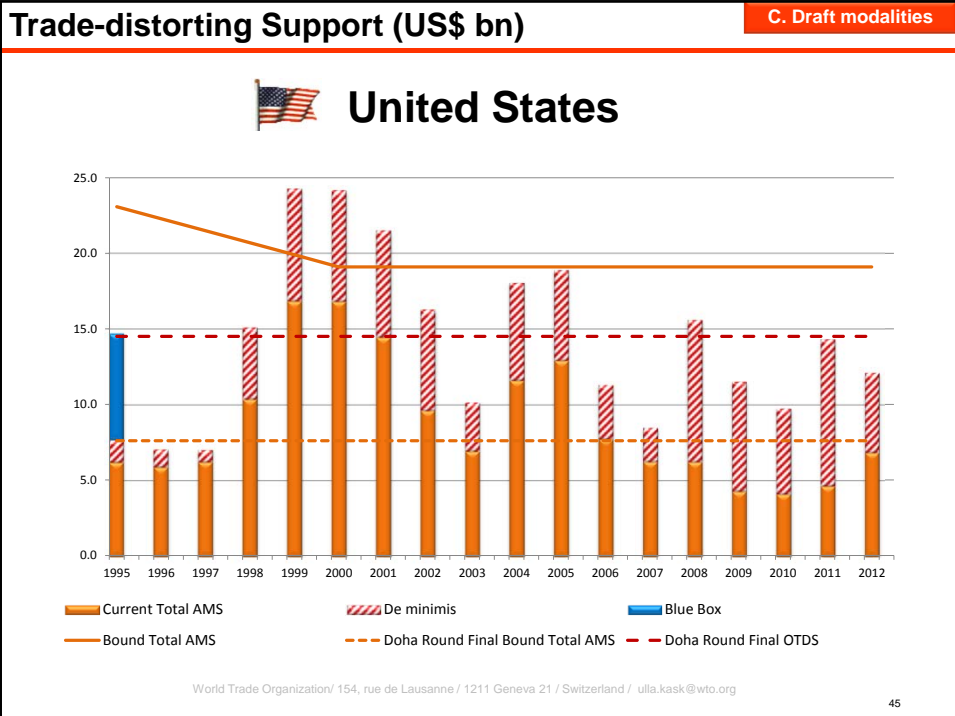


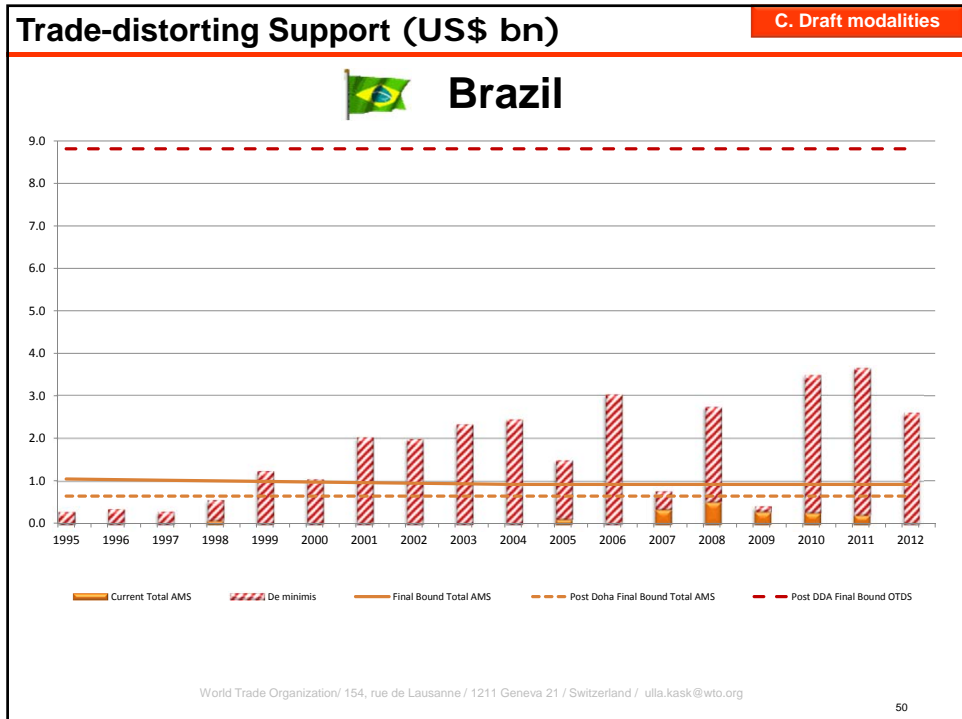
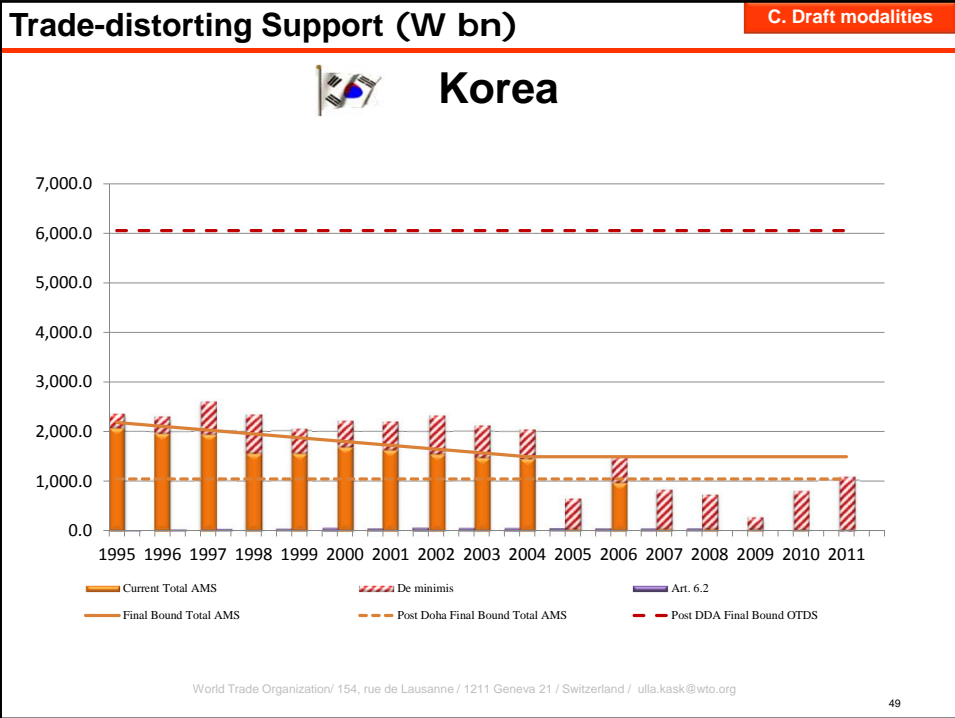
### European Union



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## Developments since the end of 2014 (1)

C. Doha Round

- Mandate from Bali to establish the **Work Programme**, initially by the end of 2014, then by **July 2015**
- Consultations in all configurations (Chair's consultations, Room W, CoA SpS, ...)
- Debates on the architecture and different elements of the draft modalities -> meetings on:
  - OTDS
  - AMS
  - *de minimis*
  - Blue Box
  - product specific limits
- Outcome widely perceived to depend on US-China

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## Developments since the end of 2014 (2)

C. Doha Round

- Building on new or existing concepts ?
- Trade-distorting Domestic Support: a Lot of Space, submission by Australia and Canada, JOB/AG/40, 18 June 2015
- Domestic Support – Building on Existing Disciplines, Non-paper from Norway, JOB/AG/42, 6 July 2015
  - Cut in the final bound total AMS
  - Cut in the non-product-specific *de minimis* levels
  - Blue box limits
- Proposals for Bridging Gaps on Remaining DDA Issues and Development Outcomes for the WTO Tenth Ministerial Conference, JOB/TNC/50, 30 July 2015
  - Revision of the maximum financial limit to the OTDS; compensation (AMS) for DgC disproportionately affected;
  - Blue Box Cap and meaningful reduction in AMS; disciplines on box shifting.
  - Maintenance of the current level of *de minimis*; options to accommodate the specific legitimate concerns.

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## For more information:

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- **Agriculture**

[http://www.wto.org/english/tratop\\_e/agric\\_e/agric\\_e.htm#work](http://www.wto.org/english/tratop_e/agric_e/agric_e.htm#work)

- **Doha Round**

[http://www.wto.org/english/tratop\\_e/dda\\_e/dda\\_e.htm](http://www.wto.org/english/tratop_e/dda_e/dda_e.htm)

- **The Cotton Sub-Committee**

[http://www.wto.org/english/tratop\\_e/agric\\_e/cotton\\_subcommittee\\_e.htm](http://www.wto.org/english/tratop_e/agric_e/cotton_subcommittee_e.htm)

- **Documents online**

[http://docsonline.wto.org/gen\\_home.asp?language=3](http://docsonline.wto.org/gen_home.asp?language=3)

- **Agricultural Information Management System**

<http://agims.wto.org>





# Export Competition

**WTO Regional Seminar on the Agreement on Agriculture  
and Agriculture Negotiations for Asia and the Pacific Region**

**Malaysia, 6-8 October 2015**

Ulla KASK  
Agriculture and Commodities  
Division, WTO

## Outline

A. Introduction

B. Current disciplines

C. Doha Round Negotiations

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### GATT Article XVI – Subsidies

- Recognition of the effects of export subsidies
  - “...contracting parties recognize that the granting...of a subsidy on the export of any product may have **harmful effects**...may cause undue disturbance to their normal commercial interests...”
  - Agree to cease granting subsidies on exported products which **reduces the export price** below the domestic price
  - But **not** applicable to **primary products**
  - Limited to not have a more than **equitable share** of world trade in the product

### Definition

Article 1(e): Subsidies contingent upon **export performance**, including the export subsidies listed in Article 9

*Unlike DS reduction commitments, these are on **product-specific** basis*

### Legal Framework

- **General prohibition or reduction commitments** under Article 3.3 of the AoA for listed export subsidies
- **S&D: Article 9.4** - subsidies for marketing and internal transport (during the implementation period)
- **Anti-circumvention provisions** for non-listed export subsidies

## Export subsidy coverage

B. AoA

- **Direct subsidies** contingent on export performance
- **Sale or disposal for export** by governments or their agencies of **non-commercial stocks** at prices below domestic market price
- **Payments on exports** financed by government action (including producer financed subsidies)
- **Subsidies to reduce cost of marketing**, including handling, upgrading, international transport and freight
- **Favourable internal transport and freight charges** on export shipments
- **Subsidies** on agricultural products contingent on their **incorporation in exported products**

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## Anti-Circumvention

B. AoA

### **Article 10** of AoA - Prevention Circumvention of Export Subsidy Commitments

- **“Other” export subsidies** not applied which results in or threatens to lead to the circumvention of export subsidy commitments
- **Non-commercial transactions** not to be used to circumvent commitments
- Development internationally agreed disciplines on **export credits, export credit guarantees or insurance programmes** – never agreed!
- Principles on **food aid transactions**

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## Uruguay Round Reduction Commitments

B. AoA

	Developed countries	Developing countries
Implementation period	6 years (1995-2000)	10 years (1995-2004)
Cut in budgetary outlays	36%	24%
Cut in subsidized quantities	21%	14%

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## Members with reduction commitments

B. AoA

(Number of products)

Australia (6)	Iceland (2)	South-Africa (62)
Brazil (16)	Israel (6)	Switzerland-Liechtenstein (5)
Canada (11)	Mexico (5)	Turkey (44)
Colombia (18)	Norway (11)	United States (13)
European Union (20*)	New Zealand (1**)	Uruguay (3)
Indonesia (1)	Panama (1**)	Venezuela (72)

### Notes:

Bulgaria, Cyprus, Czech Republic, Hungary, Poland, Romania and the Slovak Republic all had scheduled export subsidy reduction commitments but have since become member States of the EC.

\* For EC15

\*\* Applied to all AoA products

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## Example of Reduction Commitment

B. AoA

### South Africa



Description of products and tariff item no. (HS 6 digits)	Base outlay level (Rand)	Calendar/other year applied	Years of implementation 1995 - 2000	Annual and final outlay commitment levels (Rand) (36% reduction)	Base quantity (Tons)	Calendar/other year applied	Years of implementation 1995 - 2000	Annual and final quantity commitment levels (Ton equivalent) (21% reduction)	Relevant Supporting Tables and document reference
1	2	3		4	5	6		7	8
Bovine meat: 0201, 0202, 0206.10, 0206.20, 0210.20	9,272,220	Calendar	1995	8,715,887	15,999	Calendar	1995	15,439	AGST/ZAF: Supporting Table 11 refers
	9,272,220	Calendar	1996	8,159,554	15,999	Calendar	1996	14,879	
	9,272,220	Calendar	1997	7,603,220	15,999	Calendar	1997	14,319	
	9,272,220	Calendar	1998	7,046,887	15,999	Calendar	1998	13,759	
	9,272,220	Calendar	1999	6,490,554	15,999	Calendar	1999	13,199	
	9,272,220	Calendar	2000	5,934,221	15,999	Calendar	2000	12,639	
Pigmeat: 0203, 0206.30, 0206.40, 0210.10	1,250,517	Calendar	1995	1,175,486	2,000	Calendar	1995	1,930	
	1,250,517	Calendar	1996	1,100,455	2,000	Calendar	1996	1,860	
	1,250,517	Calendar	1997	1,025,424	2,000	Calendar	1997	1,790	
	1,250,517	Calendar	1998	950,393	2,000	Calendar	1998	1,720	
	1,250,517	Calendar	1999	875,362	2,000	Calendar	1999	1,650	
	1,250,517	Calendar	2000	800,331	2,000	Calendar	2000	1,580	

[...]

## Export Prohibitions and Restrictions

B. AoA

### Article XI.2(a) of GATT

- provision for the temporary application of an export prohibitions or restrictions

### Article 12 of the AoA

- when applying GATT Article XI.2(a):
  - give due consideration to **impacts on importing Members'** food security;
  - **advance written notice**, consultations on request;
  - not applicable to **developing countries** unless they are a **net exporter** of the product concerned.

*What about export taxes ?*

### Proposal on Disciplines on Export Prohibitions and Restrictions For The Post-Bali Work Programme (submission from Israel; Japan; Korea; Switzerland; and the Separate Customs Territory of Taiwan, Penghu, Kinmen And Matsu) Job/AG/41, 19 June 2015

- Transparency obligations, duration of new measures

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## Negotiating context

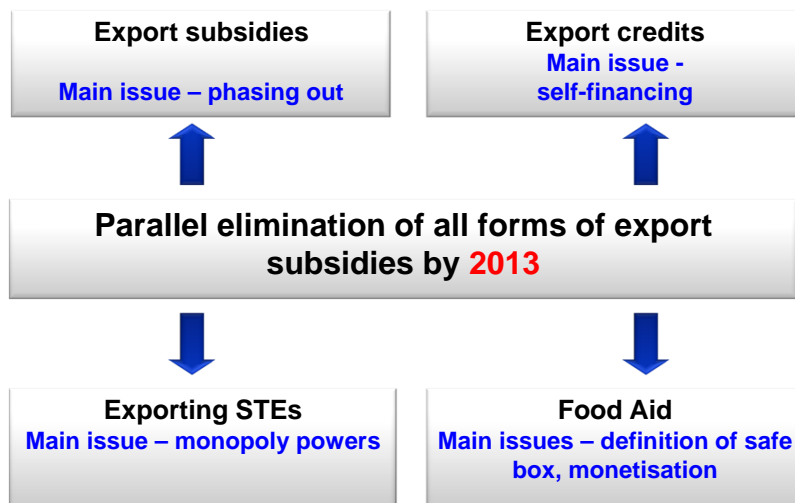
C. Negotiations

- **Agreement on Agriculture**
  - Scheduled export subsidy commitments
  - Anti-circumvention
- **Hong Kong Ministerial - 2005**
  - Parallel elimination of all forms of export subsidies and disciplines on all export measures with equivalent effect to be completed by **2013**
- **2008 draft modalities**
- **Proposal on Export Competition** (by Argentina, Australia, Canada, Chile, Colombia, Costa Rica, Guatemala, Malaysia, New Zealand, Pakistan, Paraguay, Peru, South Africa, Thailand, Uruguay, Viet Nam), Job/AG/34, 9 February 2015
  - Calls for the adoption of "the relevant elements of the revised draft modalities for agriculture"

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## Export Competition

C. Negotiations



**Special and differential treatment**

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## Bali Declaration on Export Competition WT/MIN(13)/40

## Bali Declaration

- Export competition remains a **key priority**
- Revised **draft modalities** remain an **important basis**
- Recognition of the **decrease in the use of export subsidies**
- Engagement to pursue the reform process and **maintain positive trend after Bali**
- Commitment to **exercise “utmost restraint”** (significantly below commitments)
- Enhanced **Monitoring and Transparency**

## Dedicated Sessions

C. Bali Declaration

- 1<sup>st</sup> Background document (G/AG/W/125) 21 May 2014
- 1<sup>st</sup> dedicated discussions, 6 June 2014
  
- 2<sup>nd</sup> Background document, 19 May 2015 (rev. 27 July)
- 2<sup>nd</sup> dedicated discussions, 4 June 2015


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C. Negotiations

**Deal for Nairobi?**

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WTO OMC

# Agriculture:

## Bali Decision on Tariff Rate Quota Administration

**WTO Regional Seminar on the Agreement on Agriculture and Agriculture Negotiations for Asia and the Pacific Region**

**Malaysia, 6-8 October 2015**

Ulla KASK  
Agriculture and Commodities  
Division  
WTO

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1

## Bali package

### Agriculture

- General Services — Ministerial Decision — WT/MIN(13)/37 or WT/L/912
- Public Stockholding for Food Security Purposes — Ministerial Decision — WT/MIN(13)/38 or WT/L/913
- Understanding on Tariff Rate Quota Administration Provisions of Agricultural Products, as Defined in Article 2 of the Agreement on Agriculture — Ministerial Decision — WT/MIN(13)/39 or WT/L/914
- Export Competition — Ministerial Declaration — WT/MIN(13)/40 or WT/L/915

### Cotton

- Cotton — Ministerial Decision — WT/MIN(13)/41 or WT/L/916

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2

## Tariff Rate Quota Administration

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### G-20 proposal – rationale

TRQs

Low fill rates for many TRQs.

- a) Average annual fill rates (2002-2011) range from 59% to 66% in this period
- b) Absolute annual fill rates (2002-2011) range from 0% to 100%
- c) % of scheduled tariff quotas without notified imports also varies (from 33% to 77%)

**NB ! Existing TRQs**

**Reasons for quota underfill?**

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Main provisions	TRQs
<p>The Decision covers the various elements of the draft modalities related to Tariff Rate Quota administration:</p> <ul style="list-style-type: none"> <li>a) Some specific provisions based on the disciplines of the Agreement on Import Licensing, and</li> <li>a) a new Underfill Mechanism.</li> </ul>	
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Bali Decision - Underfill Mechanism	TRQs
<p><b>A.</b> Based on Annex E of TN/AG/W/4/Rev.4</p> <p><b>B.</b> It includes:</p> <ul style="list-style-type: none"> <li>a) <b>Monitoring process</b> within the CoA, incl. a detailed procedure for the consultation on <u>market circumstances</u></li> <li>b) <b>Trigger level</b> of a fill rate at or below 65% for three consecutive years + a <b>test</b> on the yearly increase of fill rate: 8% when fill rate is more than 40% 12% when fill rate is less than 40%</li> <li>c) <b>Re-allocation</b> of underfilled TRQs either on: a first-come, first served basis <u>or</u> through an automatic, unconditional license on demand system for at least two years;</li> <li>d) <b>S&amp;D provisions</b> - DgC may choose: alternative TRQ administration methods <u>or</u> maintain the current method.</li> </ul>	
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Bali Decision – Other provisions	TRQs
<p>13. <b>A review of the operation of the Decision</b> shall commence no later than four years following the adoption of the Decision, taking into account experience gained up to that time. The objective of this review will be to promote a continuing process of improvement in the utilization of tariff rate quotas. In the context of this review the General Council shall make recommendations to the 12th Ministerial Conference<sup>2</sup>, including on whether, and if so how, <b>paragraph 4 of Annex A should be re-affirmed or modified</b> for future operation.</p> <p>14. The General Council recommendations in relation to paragraph 4 shall provide for special and differential treatment. <b>Unless the 12th Ministerial Conference decides to extend paragraph 4</b> of Annex A in its current or a modified form, <b>it shall</b>, subject to paragraph 15, <b>no longer apply</b>.</p> <p>15. Notwithstanding paragraph 14, <b>Members shall continue to apply</b> the provisions of paragraph 4 of Annex A in the absence of a decision to extend that paragraph, except for those Members who wish to reserve their rights not to continue the application of paragraph 4 of Annex A and who are listed in Annex B.</p> <p><small>World Trade Organization/ 154, rue de Lausanne / 1211 Geneva 21 / Switzerland / ulla.kask@wto.org</small></p> <p style="text-align: right;"><small>7</small></p>	

Bali Decision – Annex B	TRQs
<ul style="list-style-type: none"><li>● Barbados</li><li>● Dominican Republic</li><li>● El Salvador</li><li>● Guatemala</li><li>● United States of America</li></ul> <p><small>World Trade Organization/ 154, rue de Lausanne / 1211 Geneva 21 / Switzerland / ulla.kask@wto.org</small></p> <p style="text-align: right;"><small>8</small></p>	



**Food Security and Public Stockholding**

**WTO Regional Seminar on the Agreement on Agriculture and  
Agriculture Negotiations for Asia and the Pacific Region**

**Malaysia, 6-8 October 2015**

Ulla KASK  
Agriculture and Commodities  
Division, WTO

A. PSH

**Public Stockholding for Food Security Purposes**

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What has been the practice ?		Public Stockholding
<p>– 24 WTO Members have <u>notified</u> PSH programmes in <b>Green Box</b>:</p>		
<i>Asia:</i>	China, India, Indonesia, Japan, Korea, Nepal, Philippines, Sri Lanka, Viet Nam	
<i>Africa:</i>	Botswana, Mali, Namibia, Zambia	
<i>Latin America:</i>	Brazil	
<i>Middle East:</i>	Israel, Saudi Arabia	
<i>Europe:</i>	Albania, Armenia, EU (incl. Croatia, Cyprus, Estonia), Iceland, FYR of Macedonia, Norway, Russia, and Ukraine	
<p>- Out of these 24, <b>five</b> reported the use of <u>administered prices</u>: China, India, Indonesia, the Philippines, Chinese Taipei</p> <p>- <b>One</b> more Members have reported the use of PSH programmes for food security purposes: Singapore</p> <p><b>NB1!</b> The same programme can provide both <b>green</b> and <b>amber</b> support</p> <p><b>NB2!</b> Programmes not providing subsidies are not notified to the WTO</p>		
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What does the Agreement on Agriculture say?		Public Stockholding
<p><b>§3 of Annex 2 and FN 5</b> – main criteria:</p> <p>Expenditures (or revenue foregone) in relation to the accumulation and holding of stocks are considered <b>“green”</b> if:</p>		
<ul style="list-style-type: none"> <li>- they form part of <u>a food security programme identified in national legislation</u>;</li> <li>- the volume and accumulation of stocks correspond to <u>predetermined targets related solely to food security</u>; and</li> <li>- food purchases are made at <u>current market prices</u>.</li> </ul>		
<ul style="list-style-type: none"> <li>- In the case of Developing Countries, such programmes are considered <b>“green”</b> even when stocks are acquired at <u>administered prices</u> ...</li> <li>- ... on the condition that the difference between <u>the acquisition price and the external reference price is accounted for in the Aggregate Measurement of Support (AMS)</u>.</li> </ul>		
<p><b>Annex 3</b> – how to calculate the AMS, including Market Price Support (MPS):</p>		
<p><b>MPS = (P<sub>adm</sub> - FERP) * Q eligible</b></p>		
<p>FERP= average price for 1986-1988</p>		
MPS=market price support	P <sub>adm</sub> = administered price	FERP= fixed external reference price
		Q eligible = eligible quantity
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G-33 proposal (Job/AG/22, 13 November 2012) - rationale	A. Proposals
<p>Proponents argued:</p> <p>a) their <b>policy space</b> has been reduced by increasing market prices and therefore - higher administered prices</p> <p>b) as result, the <b>AMS limit</b> is <u>more constraining</u> than during the Uruguay Round</p> <p>c) public stockholding for food security is <b>the most suitable policy instrument</b> to address the food security issue given their <u>current level of economic development</u></p> <p>d) the <b>current rules</b> prevent them from adequately taking care of the food security, the main limitation stemming from the <u>AMS calculation methodology</u></p>	
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G-33 original proposal (Job/AG/22, 13 November 2012)	A. Proposals
<p><b><i>Main provisions</i></b></p> <p>Modifications of FN 5 and 5-6 of § 3 and § 4 of Annex 2</p> <p>It suggests that in the case of stockholding operations for food security purposes (or with the objective of fighting hunger and rural poverty) and programmes aimed at meeting food requirements of urban and rural poor, if food is <b>procured</b> from "<b>low-income or resource-poor</b>" producers "generally" or with "the objective of supporting such farmers" at "<b>administered prices</b>", the resulting market-price support could be <b>excluded from the AMS calculation</b>.</p>	
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## G-33 original proposal - main concerns

A. Proposals

- Lack of in-built policy **constraints** and of adequate **targeting** to limit the potential distortiveness, notably:
  - allowing the procurement to continue even when stocks are enough to achieve the stated policy objectives
  - the procurement does not always benefit only low income and resource-poor farmers
- Could **de facto constraints** (lack of adequate quantity and/or sufficient storage, producers unwillingness to sell) justify the lack of **de jure** constraints?
- Would the **existing rules** allow to reach the current objectives (for ex. by optimizing the use of AMS through better targeting)?
- Could the objectives be reached by **market forces** and if not, what factors are preventing market forces doing their job?
- Is the policy space only of a **temporary concern**?
- The **systemic impact** of loosening the AoA disciplines in general, and the Green Box disciplines in particular
- **"One-size-fits all"** approach unlikely to address the specific problems of individual Members

See JOB/AG/23, 28 March 2013 (Opening Remarks by Chair)

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## Pre-Bali WTO debate

Public Stockholding

Where does the support provided under the Public Stockholding (PSH) programmes for food security purposes belong to?

### Green Box



- **Non- or minimally trade distorting**
- Unlimited
- Typically government aid to private storage

OR

### Amber Box



- **Trade distorting**
- Subject to 2 types of limits:
  - Final Bound Total AMS or
  - *de minimis*
- Typically Market Price Support

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Road to Bali	Public Stockholding
<p><b>Initial proposal:</b> suggested to make part of the <u>market price support</u> (benefiting low-income and resource-poor producers) <b>green</b></p>	
<p><b>Bali deal:</b> Market Price Support remains <b>amber</b> but ... will <u>not be challenged</u> under the <u>Agreement on Agriculture</u> ... provided <u>safeguards and transparency conditions</u> are respected <b>Permanent solution by 2017</b></p>	
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Bali Decision – main provisions (1)	B. Bali deal
<p>§1 “Members agree to put in place an <b>interim mechanism</b> as set out below, and to negotiate on an <b>agreement for a permanent solution</b><sup>1</sup>, for the issue of public stockholding for food security purposes for adoption <b>by the 11<sup>th</sup> Ministerial Conference</b>.”</p>	
<p>§2 “<b>In the interim, until a permanent solution is found</b>, and provided that the <b>conditions</b> set out below are met, Members <b>shall refrain from challenging</b> through the WTO Dispute Settlement Mechanism, compliance of a developing Member with its obligations under <b>Articles 6.3 and 7.2 (b)</b> of the Agreement on Agriculture (AoA) in relation to support provided for traditional staple food crops<sup>2</sup> in pursuance of public stockholding programmes for food security purposes existing as of the date of this Decision, that are consistent with the <b>criteria of paragraph 3, footnote 5, and footnote 5&amp;6 of Annex 2</b> to the AoA when the developing Member complies with the terms of this Decision.<sup>3</sup>”</p>	
<p><small>1 The permanent solution will be applicable to all developing Members. 2 This term refers to primary agricultural products that are predominant staples in the traditional diet of a developing Member. 3 This Decision does not preclude developing Members from introducing programmes of public stockholding for food security purposes in accordance with the relevant provisions of the Agreement on Agriculture.</small></p>	
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<b>Bali Decision – main provisions (2)</b>	<b>B. Bali deal</b>
<ul style="list-style-type: none"> <li>● <b>Notification and transparency conditions:</b> Up-to-date notifications + additional data</li>   <li>● <b>Anti-circumvention/Safeguards:</b> <ul style="list-style-type: none"> <li>4. ...stocks procured “do <b>not distort trade</b> or adversely <b>affect the food security of other Members</b>”</li>   <li>5. “This Decision shall <b>not</b> be used in a manner that results in <b>an increase</b> of the support subject to the Member’s Bound Total AMS or the <i>de minimis</i> limits provided under programmes other than those notified under paragraph 3.a.”</li> </ul> </li>   <li>● <b>Consultations</b></li>   <li>● <b>Monitoring</b> – by the CoA</li>   <li>● <b>Work programme</b></li> </ul>	
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<b>Bali Decision – main provisions (3)</b>	<b>B. Bali deal</b>
<ul style="list-style-type: none"> <li>● <b>Work programme:</b> <ul style="list-style-type: none"> <li>8. “Members agree to establish a <b>work programme</b> to be undertaken in the Committee on Agriculture to pursue this issue with the aim of making recommendations for a permanent solution. This work programme shall take into account Members’ <b>existing and future submissions</b>.”</li>   <li>9. “In the context of the broader post-Bali agenda, Members commit to the <b>work programme</b> mentioned in the previous paragraph with the aim of concluding it no later than the <b>11th Ministerial Conference</b>.”</li>   <li>10. The General Council shall report to the 10th Ministerial Conference for an evaluation of <b>the operation of this Decision</b>, particularly on the progress made on the work programme.</li> </ul> </li> </ul>	
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## General Council Decision, 24 November 2014

B. Bali deal

Clarified para 2 of the Bali Decision:

... **Until a permanent solution is agreed and adopted**, and provided that the conditions set out in paragraphs 3 to 6 of the Bali Decision are met, Members **shall not challenge** through the WTO Dispute Settlement Mechanism, compliance of a developing Member with its obligations under Articles 6.3 and 7.2(b) of the AoA ....

Added:

2. If a permanent solution for the issue of public stockholding for food security purposes is not agreed and adopted by the 11th MC, the mechanism ..., as set out in paragraph 1 of this Decision, shall continue to be in place **until a permanent solution is agreed and adopted**.

3. In accordance with paragraph 1.11 of the Bali Ministerial Declaration ..., the negotiations on a permanent solution on the issue of public stockholding for food security purposes shall be pursued **on priority**.

4. Members shall engage constructively to negotiate and make all concerted efforts to agree and adopt a permanent solution on the issue of public stockholding for food security purposes **by 31 December 2015**. In order to achieve such permanent solution, the negotiations on this subject shall be held in the Committee on Agriculture in **Special Session ("CoA SS"), in dedicated sessions** and in an accelerated time-frame, **distinct from the agriculture negotiations under the Doha Development Agenda ("DDA")**.

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## Solutions/ideas

Public Stockholding

### ● The G-33 Proposal:

- Moving the market price support that benefits low-income or resource-poor producers into the Green Box – **back on the negotiation table (JOB/AG/27, 17 July 2014) !**

### ● Other ideas suggested at the WTO

- Adjusting Fixed External Reference Prices
- Taking inflation into account when calculating Amber support
- Increasing the de minimis entitlement
- [Changing the definition of “eligible production”]
- ...

### ● US paper (JOB/AG/37, 20 March 2015)

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<b>Developments since the end of 2014 (1)</b>	<b>Public Stockholding</b>
<ul style="list-style-type: none"> <li>● <b>US paper (JOB/AG/37, 20 March 2015)</b> - calls for:           <ul style="list-style-type: none"> <li>– a review of existing food security policies (and in particular of the PSH for food security programmes),</li> <li>– a review of how these policies are constrained by the current rules; and then</li> <li>– development of a set of best practices and recommend a permanent solution.</li> </ul> </li>   <li>➔ The G33 argues it goes beyond the mandate to find a permanent solution to the proposal on the Public Stockholding issue</li> </ul>	
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<b>Developments since the end of 2014 (2)</b>	<b>Public Stockholding</b>
<ul style="list-style-type: none"> <li>● <b>Chair's consultations in different formats:</b> small group, Dedicated Sessions</li>   <li>● <b>Key concerns raised:</b> <ul style="list-style-type: none"> <li>– unintended consequences (on trade and on food security of other Members) and</li> <li>– systemic impact of transferring MPS into the Green Box</li> </ul> </li>   <li>● Several Members say that the <b>elements of the Bali Decision</b> (<i>i.e.</i> transparency, anti-circumvention provision, safeguards, consultations, and monitoring) would be important to any solution</li>   <li>● <b>Game played:</b> who has to come up with suggestions</li> </ul>	
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