



## **Eightieth Regular Meeting of the Agriculture Committee of the World Trade Organization**

This objective of this note<sup>1</sup> is to report on the main topics discussed during the Eightieth Regular Meeting of the Committee on Agriculture of the World Trade Organization (WTO)<sup>2</sup>, in which the Inter-American Institute for Cooperation on Agriculture (IICA) did not participate as an Observer, but managed nonetheless to gain access to the most significant inputs of the issues addressed at that meeting.

This document discloses the current state (as at June 2016) of compliance of countries in the Americas with agricultural notifications. The major topics addressed at the Meeting are outlined below:

### **1. Topics addressed at the Eightieth Regular Meeting of the Committee on Agriculture of the WTO, June 2016.**

The following notifications which were submitted by the Member States of the WTO to the Secretariat of the Committee on Agriculture were reviewed and discussed at this Meeting:

#### **1.1. Agricultural Notifications discussed at the June 2016 Meeting**

Two IICA Member States (Canada and the United States) from among the countries of the Americas, raised issues with other countries on areas related to domestic support<sup>3</sup> and access to markets. Argentina, Brazil, Canada and Costa Rica also had to respond to specific queries from the Ukraine, the European Union, the United States, Australia, New Zealand, Norway and Switzerland. The details are outlined in Table 1.

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<sup>1</sup> Prepared by IICA's Flagship Project for Competitiveness and sustainability of agricultural chains for food security and economic development.

<sup>2</sup> Held on June 7 and 8, 2016 in Geneva, Switzerland

<sup>3</sup> Under the Agreement on Agriculture, all domestic support in favor of agricultural producers is subject to rules. As a result, there are basically two categories of domestic support: support that does not, or minimally, distort trade ("green box measures"); or support with trade distorting effects ("amber box" measures). In WTO terminology, subsidies are generally identified by "boxes" that have been assigned colors of traffic lights: green (permitted); amber (slow---reduction required); red (forbidden).

**Table 1. Issues raised regarding the implementation of commitments on agriculture**

<b>Countries raising issues</b>	<b>Country consulted</b>	<b>Issue raised</b>
Ukraine	<b>Argentina</b>	Country's fiscal policies.
European Union	<b>Argentina</b>	Support for dairy producers.
European Union	<b>Argentina</b>	Country's commodity and grain export policy.
European Union	<b>Brazil</b>	Soft loans to sugar cane growers for cane planting.
<b>United States</b>	<b>Brazil</b>	Domestic Support Program.
Australia, <b>United States</b> , New Zealand	<b>Canada</b>	New milk ingredient class.
<b>United States</b> , New Zealand	<b>Canada</b>	Wine sale policy.
Norway, New Zealand, Switzerland	<b>Canada</b>	Tariff –quota <sup>4</sup> for cheese.
New Zealand	<b>Canada</b>	Compositional standard for cheese.
European Union	China	Decision to end corn floor price.
Estados Unidos	<b>Costa Rica</b>	Compliance with Aggregate Measurement of Support
Japan	European Union	Export subsidies <sup>5</sup> .
New Zealand	European Union	Agricultural Policies
New Zealand	India	Importation of apples
<b>Canada</b>	India	New crop insurance scheme.
Australia, European Union	India	Sugar export subsidies.
<b>United States</b>	India	Export assistance programs.
New Zealand	Israel	Administered price on milk and compliance with Aggregate Measurement of Support
European Union	Japan	Act on Price Adjustment of sugar and starch.
<b>United States</b>	Moldova	Poultry tariffs.
Ukraine	Russia	Measures affecting Ukrainian transit of agricultural products to Kazakhstan
New Zealand	Sri Lanka	Increase in milk powder tariffs.
European Union	Thailand	Export of rice from government stocks.
European Union	Turkey	Support scheme to certain agricultural sectors.
Japan, New Zealand, European Union	Turkey	Domestic support and export subsidies.
European Union	Turkey	Fruit and vegetable export subsidies.
<b>United States</b>	Turkey	Destination of wheat flour sale.
European Union	Turkey	Rice support

Source: Meeting of the Committee on Agriculture of the World Trade Organization, June 2016.

<sup>4</sup> A contingent is a possible limitation to export or import goods, with a certain amount of goods or for a certain period of time. A tariff quota applies when for a certain period of time and with a maximum volume of goods, exports or imports are exempt from customs duties, or are given a preferential tariff.

<sup>5</sup> The economic advantage that a government provides, directly or indirectly, to producers of certain goods or services to improve their competitive position. There are prohibited economic aid measures that distort trade and cause damage, such as export subsidies and other subsidies subject to reduction commitments. These notifications must be submitted annually by countries to the WTO.

Additionally, the Meeting discussed points raised concerning notifications by several Member States, as illustrated in Table 2. From among the Americas, two IICA Member States (Canada and Panama) were asked to provide details on notifications they submitted this year on domestic support and export subsidies.

**Table 2. Issues raised regarding agricultural notifications**

Countries consulted	Notification issues
Kazakhstan and Switzerland	Notification regarding management of tariff reduction commitments and otherwise
Japan and Norway	Notification regarding imports within the conceptual framework of tariff reduction commitments and otherwise
Philippines and Chinese Taipei	Notification under the Agreement on special safeguard provisions <sup>6</sup> .
China, Cuba, Fiji, Georgia, India, Israel, <b>Panama</b> , Russia, Tunisia	Notification under the Agreement on domestic support commitments.
Australia and <b>Panama</b>	Notification regarding the modification of domestic support measures that are exempt from reduction claims.
<b>Canada</b> and Malasia	Notification regarding export subsidy commitments.

Source: Meeting of the Committee on Agriculture of the World Trade Organization, June 2016.

The Meeting, in turn, announced delayed responses to China's questions on notifications concerning tariffs and tariff quotas, and otherwise; and questions from China and the United Arab Emirates on domestic support commitments.

Finally, there was the issue of notifications sent by countries to the WTO Secretariat, in respect of which no questions had been raised by any country (Table 3). However this does not exclude the possibility of these notifications being subject to review in subsequent meetings of the Committee on Agriculture. In this case, nine IICA Member States (Canada, Colombia, Costa Rica, the United States, Guatemala,

<sup>6</sup> Safeguards are exceptional measures of protection by a country to temporarily protect certain domestic industries that are damaged, or face a threat of serious damage due to a significant increase in goods flowing into the domestic market under conditions of fair competition. A special safeguard is a temporary increase in import duty to deal with increased imports or falling prices, under the special provisions of the Agreement on Agriculture.

Jamaica, Nicaragua, Panama and Uruguay) submitted their notifications to the WTO and received no request for clarification from other countries.

**Table 3. Agriculture notifications submitted for which no questions were raised**

Countries submitting notifications	Notifications on agriculture
Switzerland and the <b>United States</b>	Notifications on the management of tariff reduction commitments and otherwise.
Australia, <b>Columbia, Guatemala, Nicaragua, Panama</b> , Russia and Chinese Taipei	Notifications on imports within the conceptual framework of tariff reduction commitments and otherwise.
Australia, <b>Columbia</b> , European Union, <b>Guatemala</b> , Japan, Norway, <b>Panama</b> , Tunisia and <b>Uruguay</b>	Notifications under the Agreement on special safeguard provisions
Australia, <b>Guatemala</b> , China, <b>Jamaica</b> , Mali <b>United States and Uruguay</b>	Notifications under the Agreement on domestic support commitments.
Israel	Notifications on the modification of domestic support measures.
<b>Canada, Costa Rica</b> , European Union, Fiji, Georgia, <b>Guatemala, Jamaica</b> , Japan, Malawi, Mali, Philippines, Seychelles, <b>United States and Uruguay</b>	Notifications on export subsidy commitments.

Source: Meeting of the Committee on Agriculture of the WTO, June 2016.

## 1.2. Other agenda items included in the June Meeting

Generally, other agenda items at the meeting included:

- The election of Garth Erhardt, a Canadian national, as the new Chair of the Committee on Agriculture of the WTO.
- Discussion of the scope, commitments and implementation of outcomes from the Ministerial Conference held in Nairobi in December 2015.
- A briefing next September on the importance of transparency and submission of notifications on agriculture.

## 2. Institutional contact points

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