

11 May 2016

(16-2590) Page: 1/34

# **Committee on Agriculture**

# EXPORT SUBSIDIES, EXPORT CREDITS, EXPORT CREDIT GUARANTEES OR INSURANCE PROGRAMMES, INTERNATIONAL FOOD AID AND AGRICULTURAL EXPORTING STATE TRADING ENTERPRISES

#### BACKGROUND DOCUMENT BY THE SECRETARIAT<sup>1</sup>

#### Revision

- 1. The Ministerial Declaration on Export Competition (document WT/MIN(13)/40 and WT/L/915) adopted by Ministers on 7 December 2013 at the 9<sup>th</sup> WTO Ministerial Conference in Bali (the "Bali Declaration") states, *inter alia*, that:
  - "10. Accordingly, we commit to enhance transparency and to improve monitoring in relation to all forms of export subsidies and all export measures with equivalent effect, in order to support the reform process.
  - 11. We therefore agree to hold dedicated discussions on an annual basis in the Committee on Agriculture to examine developments in the field of export competition. This examination process shall provide an opportunity for Members to raise any matter relevant to the export competition pillar, in furtherance of the final objective set out in the 2005 Hong Kong Ministerial Declaration.
  - 12. This examination process shall be undertaken on the basis of timely notifications under the relevant provisions of the Agreement on Agriculture and related decisions, complemented by information compiled by the WTO Secretariat, consistent with the practice followed in 2013<sup>2</sup>, on the basis of Members' responses to a questionnaire, as illustrated in the Annex."
- 2. The first annual dedicated discussion took place at the 5 June 2014 regular meeting of the Committee on Agriculture $^3$ , based on the Secretariat's background document G/AG/W/125 and its four addenda, which constitute an integral part of it. This document compiled information from Members' relevant notifications and responses to the export competition questionnaire circulated on 10 February 2014. $^4$
- 3. To conclude this first annual examination process, the Secretariat circulated an updated version incorporating additional information and replies received from Members up to 30 July 2014 (see G/AG/W/125/Rev.1 and G/AG/125/Add.3/Rev.1 dated 16 September 2014, supplemented by G/AG/W/125/Rev.1/Add.1 dated 13 October 2014).
- 4. In view of this 2015 dedicated discussion exercise the Chairperson of the Committee on Agriculture circulated on 26 November 2014 a questionnaire, together with a summary of

<sup>&</sup>lt;sup>1</sup> This document has been prepared under the Secretariat's own responsibility and is without prejudice to the positions of Members or to their rights and obligations under the WTO. It has been prepared for information only and is not intended to provide any authoritative or official legal interpretation of the provisions of the WTO Agreements in general or in relation to any specific entity or measure listed in this document.

<sup>&</sup>lt;sup>2</sup> TN/AG/S/27 and TN/AG/S/27/Rev.1.

<sup>&</sup>lt;sup>3</sup> See the summary report issued as document G/AG/R/75.

<sup>&</sup>lt;sup>4</sup> The questionnaire reflected the Elements for Enhanced Transparency on Export Competition contained in the Annex to the Bali Declaration.

suggestions she had received from several Members on how to increase the number of replies and improve their overall quality.

- 5. The second annual dedicated discussion took place at the 4 June 2015 regular meeting of the Committee on Agriculture<sup>5</sup>, based on the Secretariat's background document G/AG/W/125/Rev.2 and its four addenda which constitute an integral part of it. This document was circulated on 19 May 2015 and compiled information from Members' relevant notifications and responses to the export competition questionnaires circulated on 10 February and 26 November 2014.
- 6. To conclude this second annual examination process, the Secretariat circulated an updated version (document G/AG/W/125/Rev.3 and its four addenda) incorporating additional information and replies received from Members up to 1 July 2015.
- 7. The Ministerial Decision on Export Competition (document WT/MIN(15)/45 WT/L/980) adopted by Ministers on 19 December 2015 at the  $10^{th}$  WTO Ministerial Conference in Nairobi (the "Nairobi Decision") states, *inter alia*, that:
  - "4. The Committee on Agriculture shall monitor the implementation of this Decision by Members in accordance with existing notification requirements under the Agreement on Agriculture, as complemented by the provisions set out in the Annex to this Decision."
- 8. The Annex to the Nairobi Decision states that, consistent with the Bali Declaration, Members shall continue to provide information on export subsidies, export credit, export credit guarantees or insurance programs, international food aid and agricultural exporting state trading enterprises, within the context of an annual examination process based on the structure contained in the Annex to the Nairobi Decision.
- 9. In addition, footnote 17 of the Nairobi Decision states that "Notwithstanding paragraph 4 of this Decision, developing country Members, unless they are in a position to do so at an earlier date, shall implement this Annex no later than five years following the date of adoption of this Decision".
- 10. Based on these elements, the Chairperson of the Committee on Agriculture circulated on 20 January 2016 a questionnaire in accordance with the terms of the Annex of the Nairobi Decision, in preparation for the annual examination process referred to in this Annex to be held during the June 2016 meeting of the Committee on Agriculture.
- 11. Consistent with previous practice under the Bali Declaration, the present document and the four addenda which constitute an integral part of it, update document G/AG/W/125/Rev.3, with the addition of replies to the questionnaire circulated on 20 January 2016, as well as relevant information coming from Table ES:1 and ES:3 notifications and notifications to the Working Party on State Trading Enterprises received by the Secretariat up to 30 April 2016.
- 12. The following Members replied to the questionnaire circulated on 20 January: Albania; Australia; Brazil; Canada; Chile; Costa Rica; Ecuador; the European Union; Georgia; Honduras; Hong Kong, China; Israel; Jamaica; Japan; Jordan; Liechtenstein; Macao, China; Madagascar; Malaysia; Montenegro; New Zealand; Norway; Panama; the Russian Federation; Saudi Arabia, Kingdom of; Seychelles; Singapore; South Africa; Switzerland; Chinese Taipei; Turkey; the United States of America; Uruguay and Viet Nam.
- 13. This document, read in conjunction with its addenda, follows the same structure as the questionnaire and is organized in five parts, corresponding to the four areas covered under the Export Competition pillar plus an additional part:
  - a. Part A: Export subsidies (cf. also addendum G/AG/W/125/Rev.4/Add.1);
  - b. Part B: Export credits, export credit guarantees or insurance programmes (cf. also addendum G/AG/W/125/Rev.4/Add.2);

<sup>&</sup>lt;sup>5</sup> See the summary report issued as document G/AG/R/78 as modified by document G/AG/R/78/Corr.1.

- c. Part C: International food aid (cf. also addendum G/AG/W/125/ Rev.4/Add.3);
- d. Part D: Agricultural exporting state trading enterprises (cf. also addendum G/AG/W/125/Rev.4/Add.4); and
- e. Part E: Information on policies no longer in operation due to significant policy reforms.
- 14. This document describes in parts A to D how the data transmitted by Members were collected and compiled in the relevant addenda. It also contains a number of related summary tables and charts. Part E of the document contains the information provided by Members on policies no longer in operation due to significant policy reforms.

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#### **PART A - EXPORT SUBSIDIES**

- 15. This part relates to the information on the use of export subsidies by Members with export subsidy reduction commitments, which is contained in document G/AG/W/125/Rev.4/Add.1.
- 16. Document G/AG/W/125/Rev.4/Add.1 updates document G/AG/W/125/Rev.3/Add.1. It incorporates information from Table ES:1 notifications, as well as replies by Members to the first section of the questionnaire on **operational changes in Export Subsidies** up to 30 April 2016. In the absence of a reply to the questionnaire or new notification by a Member, the information contained in document G/AG/W/125/Rev.3/Add.2 has been left unchanged.
- 17. Members' information on export subsidy reduction commitments, both in terms of budgetary outlay and quantity commitments, can be found in the Section I of Part A of documents TN/AG/S/27/Rev.1 and TN/AG/S/27/Rev.1/Add.1.
- 18. As was the case in document G/AG/W/125/Rev.3/Add.1 and in previous similar documents, document G/AG/W/125/Rev.4/Add.1 does not include the data corresponding to export subsidies granted by developing country Members notified under Article 9.4 of the Agreement on Agriculture (Supporting Table ES:2)<sup>6</sup> or the replies to the questionnaire in which Members without export subsidy reduction commitments confirmed the absence of such export subsidies.
- 19. Export subsidy budgetary outlays and quantities, as notified by Members, are shown in two different tables. The symbol "n.r." indicates that the products concerned were not subject to notification requirements in the year in question (either because the country concerned was not a Member or because that type of commitment budgetary outlay or quantity did not apply). A blank indicates that no notification has been received for the year in question.
- 20. The following column headings are used:

REF The last digit or the two last digits of the reference number (Export Subsidy ID-XSID) used in the Consolidated Tariff Schedules (CTS) File to identify each export subsidy reduction commitment;

**PRODUCT** The product or group of products as specified in the Member's schedules (or abbreviated)<sup>7</sup>;

**UNIT** The currency/quantity unit used for reduction commitments and a percentage symbol below (in italic); and

**1995...2015** For each year:

- the notified budgetary outlay or quantity; and
- the resulting share of the Member's corresponding annual commitment for that year expressed in percentage (in italic).
- 21. The Members' annual commitment levels used to calculate the shares are those listed in Section I of Part A of documents TN/AG/S/27/Rev.1 and TN/AG/S/27/Rev.1/Add.1.
- 22. For each Member, the type of year (i.e. calendar, financial, fiscal or marketing year) used is indicated in the title complemented in some cases by a note attached to the relevant table.
- 23. Australia, Israel, New Zealand, Norway, South Africa, Switzerland and Turkey also provided additional information in their replies to the first section of the questionnaire, which was added before the relevant tables.

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<sup>&</sup>lt;sup>6</sup> Those Members are Barbados; India; Korea, Republic of; Mauritius; Mexico; Morocco; Pakistan; Sri Lanka; Thailand; and Tunisia.

<sup>&</sup>lt;sup>7</sup> In original language only.

#### SUMMARY INFORMATION ON MEMBERS' EXPORT SUBSIDIES COMMITMENTS

- 24. Of the current 162 Members, 25 initially had export subsidy reduction commitments in Section II of Part IV of their schedules.<sup>8,9</sup> These Members are listed in Table 2 below, along with the number of product specific commitments. The latter are classified in various product groupings in order to facilitate the presentation. The product groupings used are set out in Table 1.<sup>10</sup> They reflect the categories of products (or groups of products) used for the establishment of export subsidy reduction commitments during the Uruguay Round as in document MTN.GNG/MA/W/24 and in relation to total exports as in document G/AG/2, subject to the following presentational adjustments (shown in bold in Table 1):
  - i. reflecting the nature of many schedules, the fruits (category 19) and vegetables (category 20) groups have been combined into one (with the code 20);
  - ii. subsidies for agricultural products contingent on their incorporation in exported products ("incorporated products") have been given the code 23;
  - iii. "other" agricultural products, i.e. those that do not fit into any of the groupings used during the Uruguay Round, have been given the code 24; and
  - iv. "all agricultural products" (combined) have been given the code 25.
- 25. The information in Table 2 on the number of product-specific commitments by Member in each product grouping is taken from the schedules of Members. For the purposes of Table 2, budgetary outlay commitments have been used. Members also have commitments on a quantity basis although, in total, there are fewer of these than budgetary outlay commitments, reflecting aggregate export subsidy reduction commitments (e.g. "incorporated products" and "all agricultural products") for which there are no quantity-based commitments.
- 26. As result of this calculation, there are 428 export subsidy reduction commitments. Two commitments apply to "all agricultural products" and five to "incorporated products". The remaining 421 are product-specific commitments with both budgetary outlay and quantity commitments. 11

<sup>&</sup>lt;sup>8</sup> The European Union is counted as one Member with commitments based on the EC-15 CXL Schedule certified on 22 February 2010. Bulgaria, Cyprus, Czech Republic, Hungary, Poland, Romania and Slovak Republic joined the European Union since 1995 and do not have any more separate commitments. Since Marketing Year 2006/2007, the European Union has notified its calculation of "EC-25 commitment levels following Article XXIV.6 negotiations for the EU enlargement of 2004" (document G/AG/N/EEC/57/Rev.1). These commitments are also included in G/MA/TAR/RS/357 (not yet certified).

<sup>&</sup>lt;sup>9</sup> Costa Rica has commitments only in Section III of Part IV of its schedule (commitments limiting the scope of export subsidies), however as this section of schedules is not covered by the notification requirements (document G/AG/2), it is not taken into consideration here.

<sup>&</sup>lt;sup>10</sup> These groupings were also used in documents G/AG/NG/S/5, G/AG/NG/S/5/Rev.1, TN/AG/S/8, TN/AG/S/8/Rev.1, TN/AG/S/27 and TN/AG/S/27/Rev.1

TN/AG/S/8/Rev.1, TN/AG/S/27 and TN/AG/S/27/Rev.1.

11 In the case of Poland's "animal husbandry products" commitment, there is no quantity commitment in the schedule.

Table 1 – Product groupings

Code	Products coverage
1	Wheat and wheat flour
2	Coarse grains
3	Rice
4	Oilseeds
5	Vegetable oils
6	Oilcakes
7	Sugar
8	Butter and butter oil
9	Skim milk powder
10	Cheese
11	Other milk products
12	Bovine meat
13	Pigmeat
14	Poultry meat
15	Sheepmeat
16	Live animals
17	Eggs
18	Wine
20	Fruits and vegetables
(includes 19)	
21	Tobacco
22	Cotton
23	Incorporated products
24	Other agricultural products
25	All agricultural products

Table 2 – Number of product-specific export subsidy reduction commitments by Member

Member									F	Produc	t grou	oings (	see Ta	ble 1 f	or defi	nitions	s)								
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	20	21	22	23	24	25	ALL
Australia								1	1	1	1								1						5
Brazil		1			1	1	1				1	1		1				1	2	1	1		4		16
Bulgaria	1			1						2		1	1	3	1	2	1	1	28	1		1			44
Canada	1	1		1	1	1		1	1	1	1								1			1			11
Colombia			1				1					1							3	1	1		10		18
Cyprus										1	1	1	1	1	1			1	2						9
Czech Republic	1	1			1		1		1		1	1	1	1	1			1	1				4		16
European Union	1	1	1	1	1		1	1	1	1	1	1	1	1			1	1	2	1		1	1		20
Hungary	1	1		1	1		1			1		1	1	1	1	3		1	2						16
Iceland											1				1										2
Indonesia			1																						1
Israel																			3		1		2		6
Mexico	1	2					1												1						5
New Zealand																								1	1
Norway								1		1	1	1	1	1	1		1		1			1	1		11
Panama																								1	1
Poland				1	1		1		1		1	1		1		1			4				5		17
Romania		1		1	1		1	1		1		1		1		1	1	1	2						13
Slovak Republic	1	1			1		1		1		1	1	1	1	1			1	1				5		17
South Africa	1	4		1	2		2	1	1	1	1	2	1	1	1		1	1	5	2	1		33		62
Switzerland-Liechtenstein											1					1			2			1			5
Turkey	2	3			4			1		1	3	3		1	1		1		14	1			9		44
United States of America	1	1	1		1			1	1	1	1	1	1	1		1	1								13
Uruguay			1			1		1																	3
Venezuela, Bolivarian		1	4								1								46	4			16		72
Republic of		1	4								1								40	4					
All Members	11	18	9	7	15	3	11	9	8	12	17	17	9	15	9	9	7	9	121	11	4	5	90	2	428

#### SUMMARY INFORMATION ON THE EVOLUTION IN THE USE OF EXPORT SUBSIDIES

27. The following table summarizes the information available in relation to the export subsidies granted by the Members who have notified such export subsidies in their latest Table ES:1 notification, since 2004.

Member	Latest notification year available	Sum notified export subsidy budgetary outlays as % of sum export subsidy budgetary outlay commitment levels	Products covered
Canada	2014	19%	Skim milk powder, cheese, other milk, incorporated products
European Union	2013	0.0005%	Poultry meat, sugar <sup>12</sup>
Israel	2014	4%	Fruits other than citrus, fresh vegetables
Norway	2014	39%	Swine meat, cheese, processed agricultural products
Switzerland	2013	16%	Cattle for breeding and horses, processed products

# Sum of the export subsidy budgetary outlays notified and scheduled per Member

- 28. The charts 1-13 show by Member<sup>13</sup> and by year the sum of the export subsidy outlays notified and the sum of the export subsidy budgetary outlay commitment levels scheduled for the corresponding year of notification.
- 29. The charts also show for each year the sum of the notified export subsidy budgetary outlays per Member expressed as a percentage of the sum of the export subsidy budgetary outlay commitment levels.
- 30. These charts, which aim at giving some indications on the trends in the use of export subsidies by Members, should be considered as illustrative only, in particular since:
  - i. Members' commitments are expressed on a product-specific basis;
  - ii. the trend in terms of notified export subsidies quantities are not recorded<sup>14</sup>; and
  - iii. the type of year can differ from one product to the other.

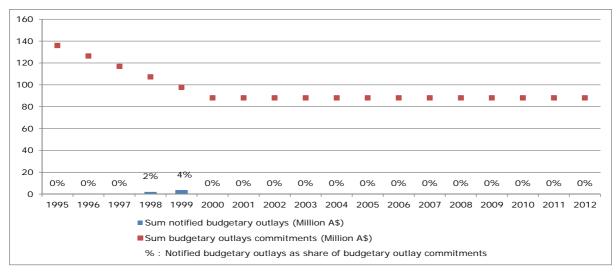
<sup>&</sup>lt;sup>12</sup> Only notified quantities, representing 98.2% of the corresponding export subsidies quantity commitment level, as expressed in G/MA/TAR/RS/357 (cf. footnote 7 above).

<sup>&</sup>lt;sup>13</sup> Except for Brazil, Indonesia and Uruguay who have not notified any export subsidy during the whole period covered by their notifications, for New Zealand and Panama who have now a zero export subsidy commitment and for the new European Union member States.

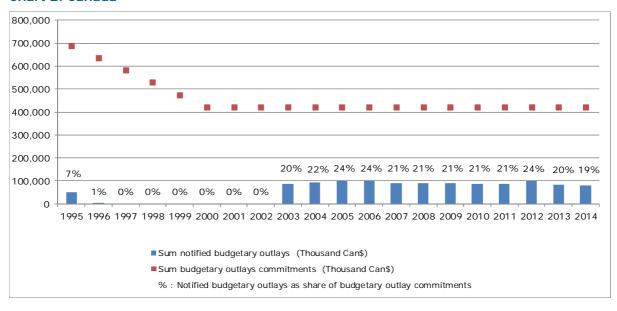
commitment and for the new European Union member States.

14 Firstly, Members may use different units to measure the quantities for different products (and quantities are absent for some product categories, like "processed products"). Secondly, adding quantities corresponding to very different categories of products might prove problematic. Exhaustive information on the export subsidies quantities notified per Member can be found in the tables contained in document G/AG/W/125/Rev.4/Add.1.

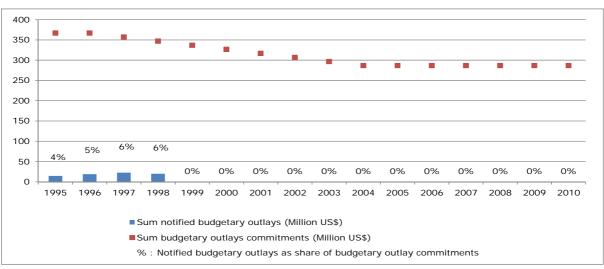
Chart 1: Australia



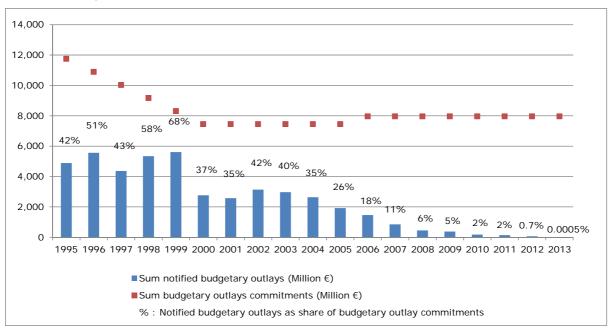
#### Chart 2: Canada



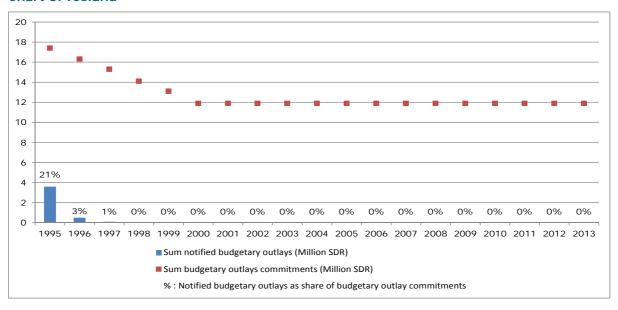
# Chart 3: Colombia



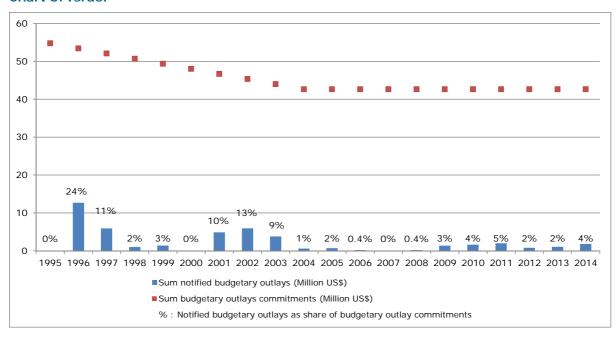
**Chart 4: European Union** 



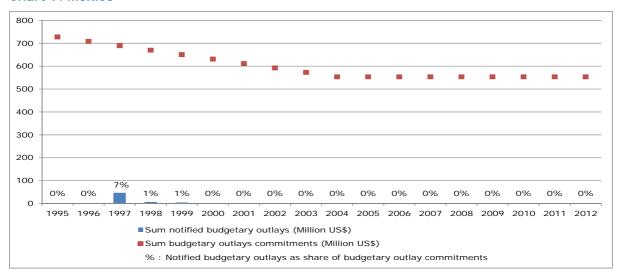
## Chart 5: Iceland



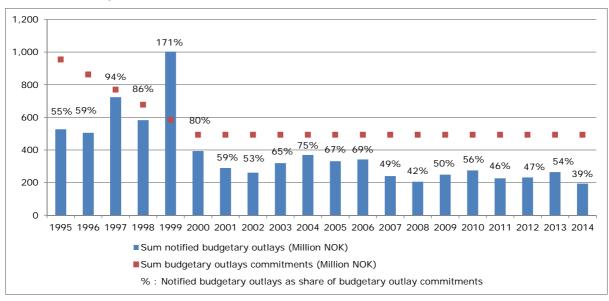
## Chart 6: Israel



## **Chart 7: Mexico**



# **Chart 8: Norway**



#### **Chart 9: South Africa**

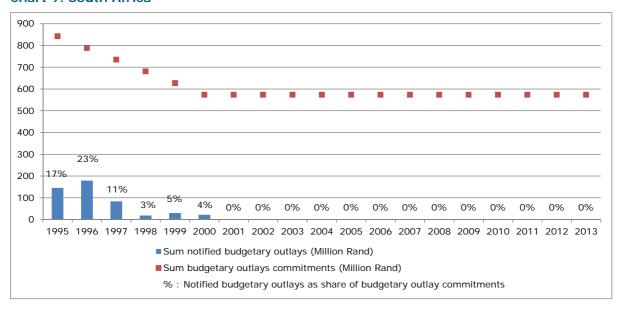
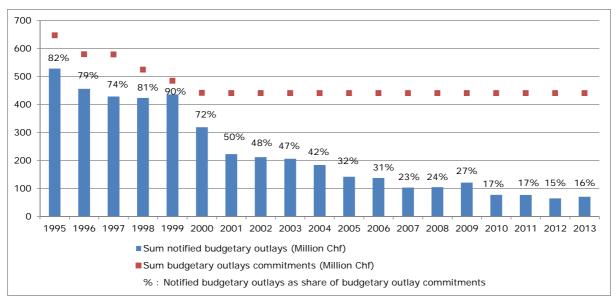
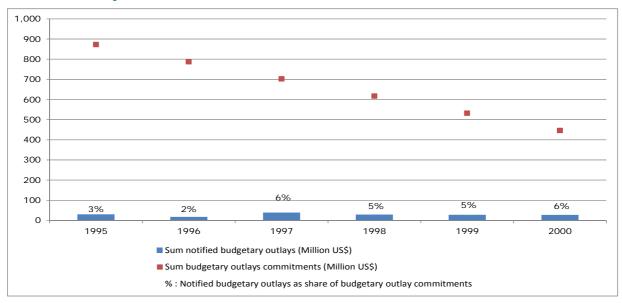


Chart 10: Switzerland-Liechtenstein



# Chart 11: Turkey





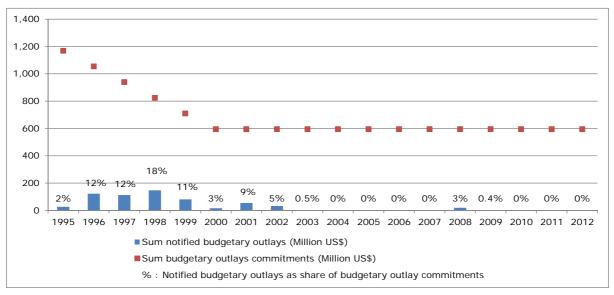
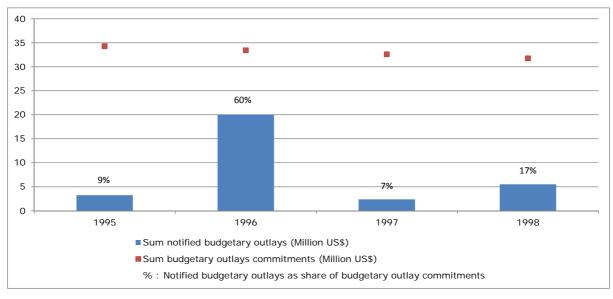


Chart 13: Venezuela, Bolivarian Republic of



# Sum of the export subsidy budgetary outlays notified and scheduled per product grouping

- 31. The charts 14-36 show, for the period 1995-2013, the sum of the export subsidy budgetary outlays notified and scheduled per product grouping (as set out in Table 1 above). $^{15}$
- 32. The figures are calculated by adding the Members' export subsidy budgetary outlays notified (respectively, the export subsidy budgetary outlay commitment levels scheduled by all the Members with reduction commitments) for the products (or group of products) in their schedules corresponding to each product grouping, following the distribution summarized in Table 2. The figures are expressed in US Dollar using the relevant yearly exchange rate. <sup>16</sup>

<sup>&</sup>lt;sup>15</sup> Except for category 25 "All agricultural products", for which the two Members who had an export subsidy commitment (New Zealand and Panama) falling under this category now have a zero export subsidy commitment.

<sup>&</sup>lt;sup>16</sup> Using exchange rates from the IMF's "International Financial Statistics".

- 33. The charts also show, for each product grouping, the sum of the notified export subsidy budgetary outlays expressed as a percentage of the sum of the export subsidy budgetary outlay commitment levels of the Members who have submitted notifications. This percentage gives some indication of the effective use of export subsidies by these Members for the relevant product grouping.
- 34. Finally, the charts also show, for each product grouping, the sum of the export subsidy budgetary outlay commitments levels of the Members who have submitted notifications as a percentage of the sum of the export subsidy budgetary outlay commitment levels of all the Members with reduction commitments corresponding to this product grouping. This percentage gives an indication of the completeness of the data available for the relevant year.
- 35. These charts, that aim at giving some indications of the trends in the use of export subsidies by broad product grouping, should be considered as illustrative only, in particular since:
  - i. some changes can be partly due to exchange rate fluctuation;
  - ii. this information is only partial since notified export subsidies quantities are not recorded<sup>17</sup>;
  - iii. the products or groups of products regrouped under one specific commitment are not always fully covered within the scope of one product grouping; and
  - iv. the type of year can differ from one product to the other and from one Member to the other.

Finally, some changes in the data on the sum of the export subsidy budgetary outlay commitment levels of all the Members with reduction commitments can also be explained by the successive European Union enlargements during the period under consideration.<sup>18</sup>

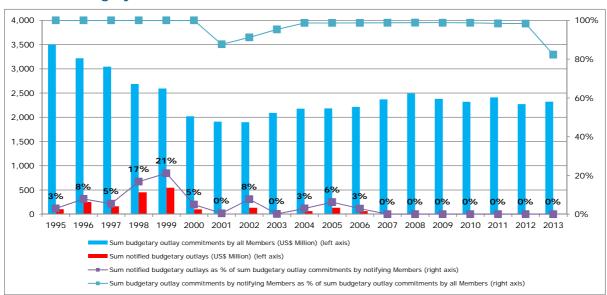


Chart 14: Category 1 - Wheat and wheat flour

<sup>&</sup>lt;sup>17</sup> Budgetary outlays are used rather than quantities consistent with the approach followed to constitute Table 2. It also permits having comparable figures across the board for all product groupings. Using quantities for some product groupings might prove problematic due to the different units used by Members to measure quantities in the same product groupings but also due to the large coverage of certain product groupings (like fruits and vegetables, processed products or other agricultural products).

<sup>&</sup>lt;sup>18</sup> New EU member States commitments are taken into account until their accession to the European Union and the figures notified by the European Union as its calculation of "EC-25 commitment levels following Article XXIV.6 negotiations for the EU enlargement of 2004" are used for 2006 and the following years (cf. footnote 7 above).

Chart 15: Category 2 - Coarse grains

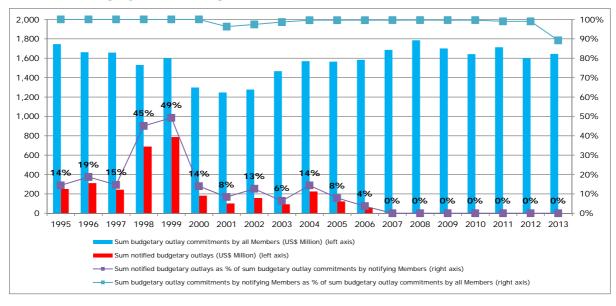


Chart 16: Category 3 - Rice

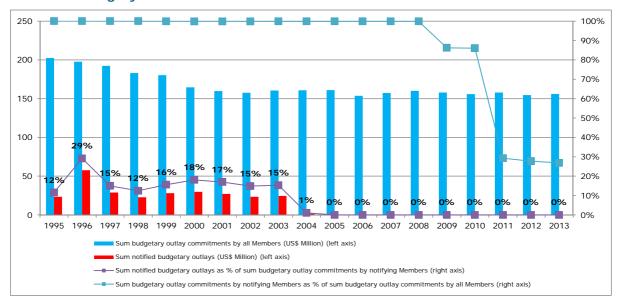


Chart 17: Category 4 - Oilseeds

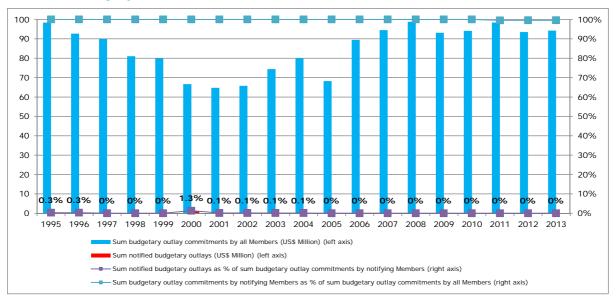


Chart 18: Category 5 - Vegetable oils

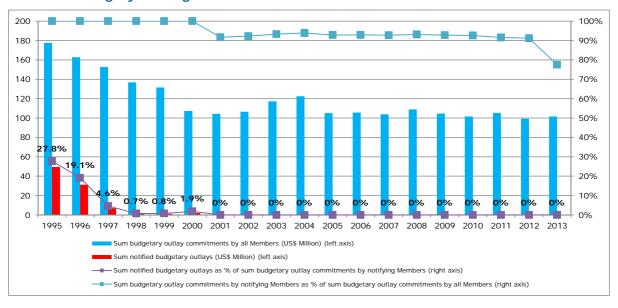


Chart 19: Category 6 - Oilcakes

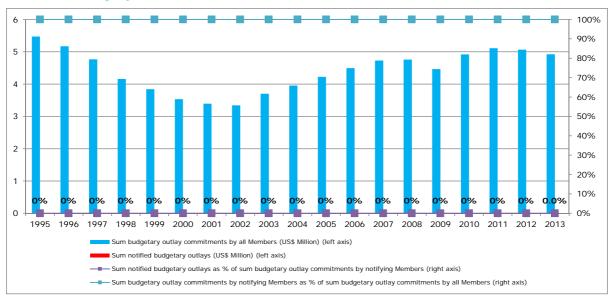


Chart 20: Category 7 - Sugar

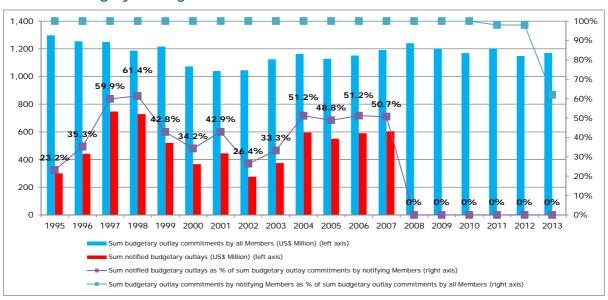


Chart 21: Category 8 - Butter and butter oil

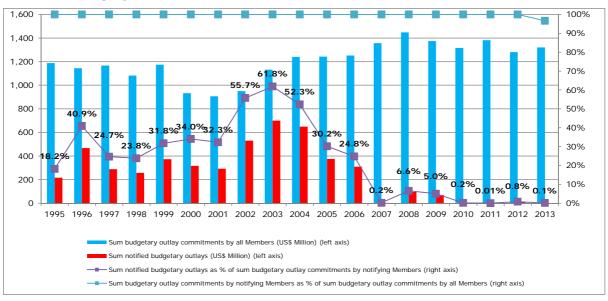


Chart 22: Category 9 - Skim milk powder

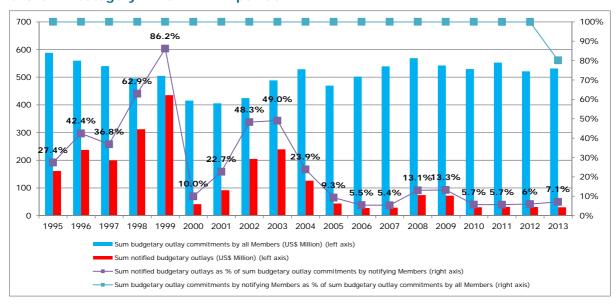


Chart 23: Category 10 - Cheese

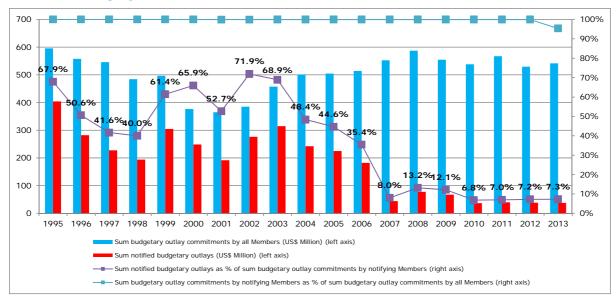


Chart 24: Category 11 - Other milk products

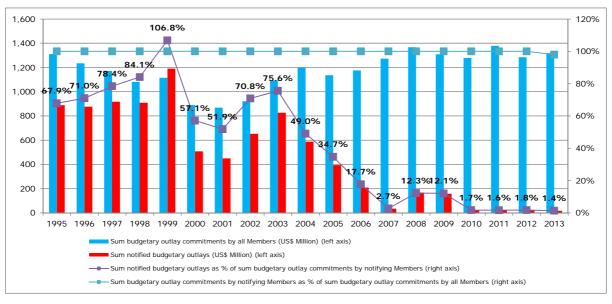
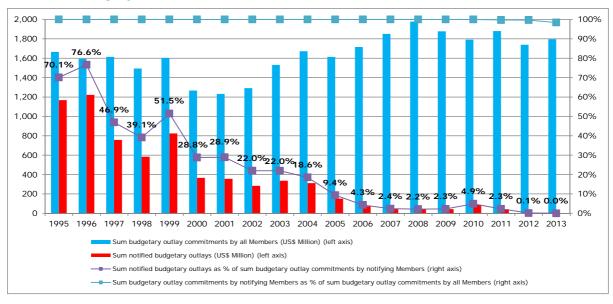


Chart 25: Category 12 - Bovine meat



# Chart 26: Category 13 - Pigmeat

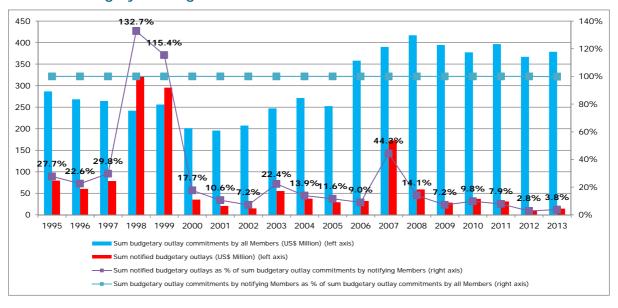


Chart 27: Category 14 - Poultry meat

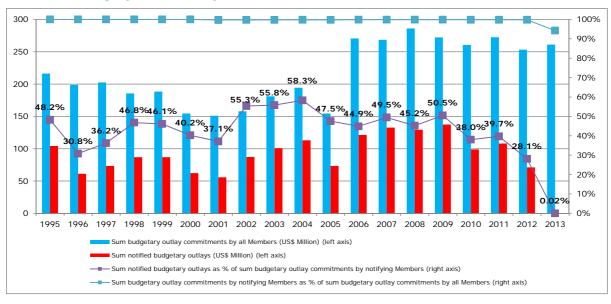


Chart 28: Category 15 - Sheepmeat

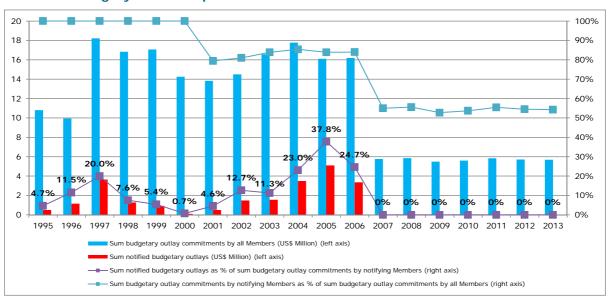


Chart 29: Category 16 - Live animals

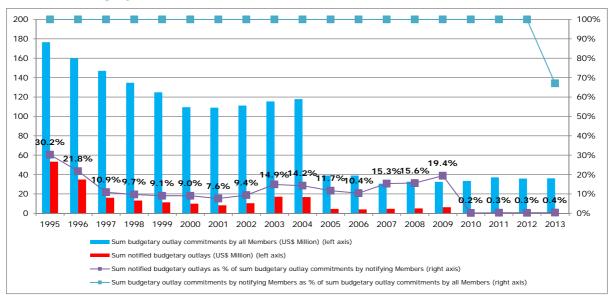


Chart 30: Category 17 - Eggs

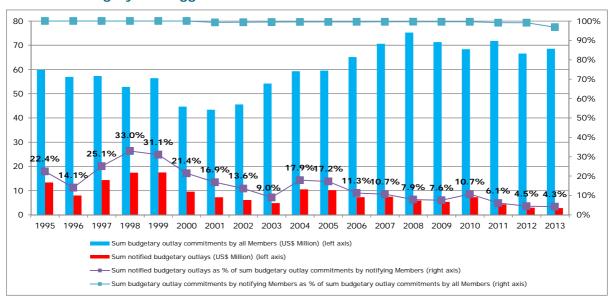


Chart 31: Category 18 - Wine

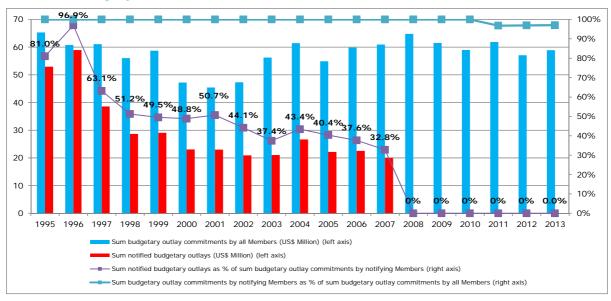


Chart 32: Category 20 (includes 19) - Fruits and vegetables

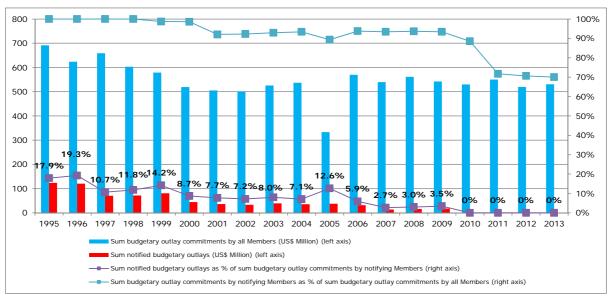


Chart 33: Category 21 – Tobacco

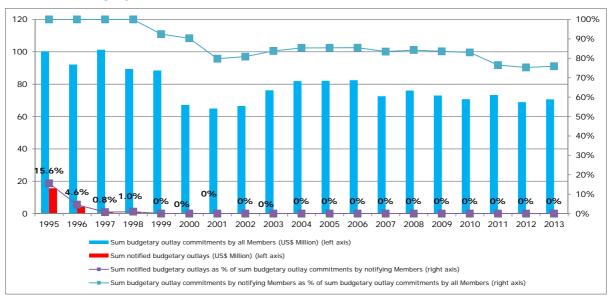
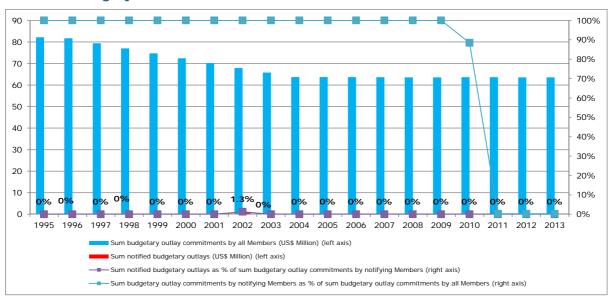


Chart 34: Category 22 - Cotton<sup>1</sup>



<sup>&</sup>lt;sup>1</sup> This chart does not include the export subsidies for upland cotton notified by the United States of America in 2003, 2004, 2005 and 2006.

Chart 35: Category 23 - Incorporated products

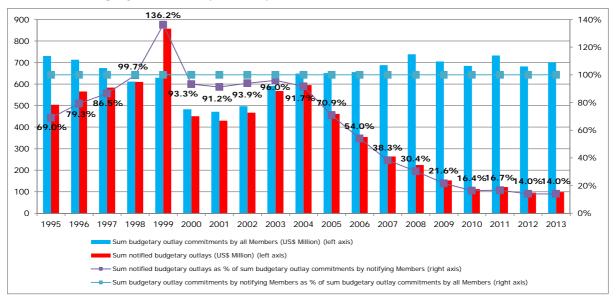
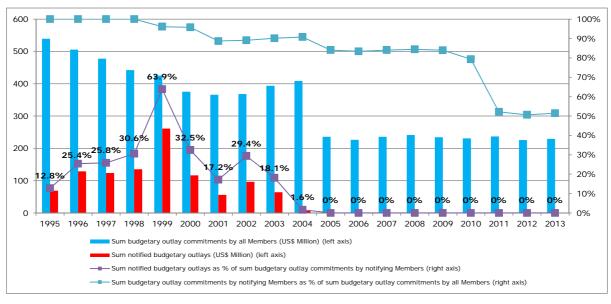


Chart 36: Category 24 - Other agricultural products



## PART B – EXPORT CREDITS, EXPORT CREDIT GUARANTEES OR INSURANCE PROGRAMMES

- 36. This part relates to the information on the use of export credits, export credit guarantees or insurance programmes by Members for the export of agricultural products which is contained in document G/AG/W/125/Rev.4/Add.2.
- 37. Document G/AG/W/125/Rev.4/Add.2 updates document G/AG/W/125/Rev.3/Add.2. It incorporates replies by Members to the second section of the questionnaire on **Export Credit, Export Credit Guarantees or Insurance Programmes (Export financing)** up to 30 April 2016. In the absence of a reply to the questionnaire by a Member, the information contained in document G/AG/W/125/Rev.3/Add.2 has been left unchanged.

Members who replied to the previous questionnaires circulated on 10 February and 26 November 2014	Members who replied to the questionnaire circulated on 20 January 2016
Australia; Brazil; Canada; Colombia; the	Australia, Brazil, Canada; the European Union;
European Union; Japan; Malaysia; New Zealand; Peru;	Jamaica; Japan; Malaysia; New Zealand;
the Russian Federation; Switzerland; Turkey;	the Russian Federation; Switzerland; Turkey;
the United States of America; Viet Nam	the United States of America; Viet Nam

38. In addition, the following Members indicated in their replies to the questionnaires that they do not provide export financing programmes for agricultural products.

Members with nil reply to the previous questionnaires circulated on 10 February and 26 November 2014	Members with nil reply to the questionnaire circulated on 20 January 2016
Albania; Argentina; Chile; China; Costa Rica; Côte d'Ivoire; Ecuador; Guatemala; Honduras; Hong Kong, China; Israel; Jordan; Liechtenstein; Macao, China; Madagascar; Mauritius; Moldova, Republic of; Norway; Pakistan; Panama; Paraguay; Saudi Arabia, Kingdom of; Seychelles; Singapore; South Africa; Chinese Taipei; Thailand; Ukraine; Uruquay	Albania; Chile; Costa Rica; Ecuador; Georgia; Honduras; Hong Kong, China; Israel; Jordan; Liechtenstein; Macao, China; Madagascar; Montenegro; Norway; Panama; Saudi Arabia, Kingdom of; Seychelles; Singapore; South Africa; Chinese Taipei; Uruguay

#### PART C - INTERNATIONAL FOOD AID

- 39. This part relates to the information on international food aid provided by Members which is contained in document G/AG/W/125/Rev.4/Add.3.
- 40. Document G/AG/W/125/Rev.4/Add.3 updates document G/AG/W/125/Rev.3/Add.3. It incorporates information contained in Table ES:1 and ES:3 notifications as well as replies by Members to the third section of the questionnaire on **Food Aid** up to 30 April 2016. In the absence of a reply to the questionnaire or new notification by a Member, the information contained in document G/AG/W/125/Rev.3/Add.3 has been left unchanged.
- 41. The information relative to food aid contained in Table NF:1 notifications, which is specific to certain group of destination countries, is not incorporated in document G/AG/W/125/Rev.4/Add.3.
- 42. The following column headings are used to report data contained in Table ES:1 notifications:

REF The last digit or the two last digits of the reference number (Export

Subsidy ID - XSID) used in the Consolidated Tariff Schedules database (CTS) to

identify each export subsidy reduction commitment;

**PRODUCT** The product or group of products as specified in the Members' schedules;

**UNIT** The quantity unit used in the notification; and

**1995...2015** For each year, the notified quantity.

43. The following column headings are used to report data contained in Table ES:3 notifications: 19

**PRODUCT** The product or group of products as indicated in the Member's notification;

**UNIT** The quantity unit used in the notification; and

**1995...2014** For each year, the notified quantity.

44. The additional information provided in the replies by Members to the third section of the questionnaire on **Food Aid** up to 30 April 2016 was inserted before the tables reflecting ES:1 and/or ES:3 notifications.

Members who replied to the previous questionnaires	Members who replied to the questionnaire
circulated on 10 February and 26 November 2014	circulated on 20 January 2016
Australia; Brazil; Canada; China; Cuba;	Australia, Brazil, Canada, the European Union;
the European Union; Indonesia; Japan; New Zealand;	Japan; New Zealand; the Russian Federation;
the Russian Federation; South Africa; Switzerland;	South Africa; Switzerland; Chinese Taipei; Turkey;
Chinese Taipei; Thailand; the United States of America;	the United States of America; Viet Nam
Viet Nam	

45. In addition, the following Members indicated in their replies to the questionnaires that they do not provide international food aid.

Members with nil reply to the previous questionnaires	Members with nil reply to the questionnaire
circulated on 10 February and 26 November 2014	circulated on 20 January 2016
Albania; Argentina; Chile; Colombia; Costa Rica;	Albania; Chile; Costa Rica; Ecuador; Georgia;
Côte d'Ivoire; Ecuador; Guatemala; Honduras;	Honduras; Hong Kong, China; Israel; Jamaica;
Hong Kong, China; Israel; Jordan; Liechtenstein;	Jordan; Liechtenstein; Macao, China; Madagascar;
Macao, China; Madagascar; Malaysia; Mauritius;	Malaysia; Montenegro; Norway; Panama;
Moldova, Republic of; Norway; Panama; Paraguay;	Seychelles; Singapore; Uruguay
Peru; Seychelles; Singapore; Ukraine; Uruguay	

<sup>&</sup>lt;sup>19</sup> In the case of Japan, an additional column heading entitled "destination" was added to reflect the notification practice followed by this Member.

## PART D – AGRICULTURAL EXPORTING STATE TRADING ENTERPRISES<sup>20</sup>

- 46. This part relates to the information on agricultural exporting State Trading Enterprises (STEs) which is contained in document G/AG/W/125/Rev.4/Add.4.
- 47. Document G/AG/W/125/Rev.4/Add.4 updates document G/AG/W/125/Rev.3/Add.4. It incorporates the replies by Members to the fourth section of the questionnaire on **Agriculture Exporting State Trading Enterprises** up to 30 April 2016.
- 48. In addition, consistent with the practice followed since 2013, the Secretariat looked whether STEs covering totally or partially agricultural products were contained in the notifications submitted by Members between 1 July 2015 (cut-off date for the document G/AG/W/125/Rev.3/Add.4) and 30 April 2016, pursuant to Article XVII:4(a) of the GATT 1994 and Paragraph 1 of the Understanding on the interpretation of Article XVII under the auspices of the Working Party on State Trading Enterprises.<sup>21</sup>
- 49. Based on the information contained in these notifications, the Secretariat verified with the Members concerned whether some of these STEs ought to be considered as agricultural exporting STEs in the context of this compilation of information by the Secretariat and whether some of the information contained in these notifications ought to be incorporated in document G/AG/W/125/Rev.4/Add.4.
- 50. For the purpose of this verification exercise, agricultural exporting STEs were understood as "governmental and non-governmental enterprises, including marketing boards, which have been granted exclusive or special rights or privileges, including statutory or constitutional powers, in the exercise of which they influence through their purchases or sales the level or direction of [imports exports", following the working definition of paragraph 1 of the Understanding on the interpretation of Article XVII.
- 51. As a result of this process, document G/AG/W/125/Rev.4/Add.4 includes the information on agricultural exporting STEs contained in document G/AG/W/125/Rev.3/Add.4, as updated by the replies to the questionnaire or to the specific requests by the Secretariat in the case of Australia, Brazil, Canada, Costa Rica, Ecuador, Israel, Morocco, New Zealand, Tunisia and Viet Nam.
- 52. The following Members indicated in their replies to the questionnaire the absence of any such agricultural exporting STEs:

<sup>&</sup>lt;sup>20</sup> This compilation of information should in no way be considered to substitute or interfere with the rights and obligations under the normal notification process in the framework of the Working Group on State Trading Enterprises.

<sup>&</sup>lt;sup>21</sup> According to available information, the updated list of Members having notified such STEs covering totally or partially agricultural products in their latest notification to the Working Party on State Trading Enterprises is: Australia (G/STR/N/15/AUS); Barbados (G/STR/N/11/BRB/Rev.1, G/STR/N/12/BRB/Rev.1); Brazil (G/STR/N/3/BRA): Cabo Verde (G/STR/N/13/CPV): Canada (G/STR/N/15/CAN): Chile (G/STR/N/15/CHL); China (G/STR/N/10/CHN, G/STR/N/11/CHN, G/STR/N/12/CHN, G/STR/N/13/CHN, G/STR/N/14/CHN, G/STR/N/15/CHN); Colombia (G/STR/N/15/COL); Dominica (G/STR/N/4/DMA, G/STR/N/5/DMA, G/STR/N/6/DMA); Ecuador (G/STR/N15/ECU); European Union (G/STR/N/15/EU); Fiji (G/STR/N/4/FJI); Grenada (G/STR/N/13/GRD); Iceland (G/STR/N/5/ISL); India (G/STR/N/14/IND); Indonesia (G/STR/N/13/IDN, G/STR/N/14/IDN, G/STR/N/15/IDN); Israel (G/STR/N/1/ISR/Rev.1); Japan (G/STR/N/15/JPN); Jordan (G/STR/N/9/JOR); Korea, Republic of (G/STR/N/15/KOR); Malaysia (G/STR/N/15/MYS); Mauritius (G/STR/N/14/MUS, G/STR/N/15/MUS); New Zealand (G/STR/N/15/NZL); Oman (notification of an entity not considered by Oman as being a state trading enterprise according to article XVII of GATTT 1994 and the Understanding on interpretation of Article XVII - G/STR/N/10/OMN, G/STR/N/11/OMN, G/STR/N/12/OMN, G/STR/N/13/OMN, G/STR/N/14/OMN, G/STR/N/15/OMN); Philippines (G/STR/N/4/PHL, G/STR/N/5/PHL, G/STR/N/6/PHL, G/STR/N/7/PHL); Saint Vincent and the Grenadines (G/STR/N/4/VCT, G/STR/N/5/VCT, G/STR/N/6/VCT); Switzerland (G/STR/N/15/CHE); Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu (G/STR/N/15/TPKM); Thailand (G/STR/N/13/THA, G/STR/N/14/THA); Trinidad and Tobago (G/STR/N/12/TTO, G/STR/N/13/TTO); Tunisia (G/STR/N/11/TUN, G/STR/N/12/TUN, G/STR/N/13/TUN, G/STR/N/14/TUN); Ukraine (G/STR/N/15/UKR); the United States of America (G/STR/N/15/USA) and Viet Nam (G/STR/N/15/VNM, G/STR/16/VNM).

Members with nil reply to the previous questionnaires circulated on 10 February and 26 November 2014	Members with nil reply to the questionnaire circulated on 20 January 2016
Albania; Argentina; Chile; Côte d'Ivoire; the European Union; Guatemala; Honduras; Hong Kong, China; Japan; Jordan; Liechtenstein; Macao, China; Madagascar; Malaysia; Mauritius; Norway; Oman; Panama; Pakistan; Paraguay; Peru; the Russian Federation; Saudi Arabia, Kingdom of; Seychelles; Singapore; South Africa; Switzerland; Chinese Taipei; Thailand; the United States of America; Uruguay	Albania; Brazil; Chile; The European Union; Georgia; Honduras; Hong Kong, China; Jamaica; Japan; Jordan; Liechtenstein; Macao, China; Madagascar; Malaysia; Montenegro; Norway; Panama; the Russian Federation; Saudi Arabia, Kingdom of; Seychelles; Singapore; South Africa; Switzerland; Chinese Taipei; Turkey; the United States of America; Uruguay; Viet Nam

53. As a result, 17 out of the current 162 Members have notified or reported in their reply to the questionnaire a total of 60 agricultural exporting STEs according to the methodology described above. These Members are listed in Table 3 below.

Table 3 – Number of agricultural exporting STEs per Member

Member	Number of agricultural exporting STEs
Australia	1
Canada	1
China	25
Colombia	4
Costa Rica	1
Dominica	1
Ecuador	1
Fiji	1
Grenada	1
India	14
Indonesia	1
Israel	3
Moldova, Republic of	1
New Zealand	1
Trinidad and Tobago	1
Tunisia	2
Ukraine	1

- 54. In Table 4, the identified agricultural exporting STEs are classified for illustration purposes by product grouping based on the same groupings as in Table 1 of Part A on Export Subsidies, subject to an additional presentational adjustment consisting in merging of wheat and wheat flour, coarse grains and rice groups (shown in bold in Table 4).
- 55. In case an agricultural exporting STE covers a group of products belonging to more than one of the other product groupings, it is classified under the "all agricultural products" product grouping.

Table 4 – Distribution of agricultural exporting STEs by product grouping

Product groupings	Number of agricultural exporting STEs
Wheat and wheat flour, coarse grains and rice	5
Oilseeds	1
Vegetable oils	1
Oilcakes	
Sugar	3
Butter and butter oil	
Skim milk powder	
Cheese	
Other milk products	
Bovine meat	
Pigmeat	
Poultry meat	
Sheepmeat	
Live animals	
Eggs	
Wine	1
Fruits and vegetables	14
Tobacco	20
Cotton	4
Incorporated products	
Other agricultural products	8
All agricultural products	3

# PART E – INFORMATION ON POLICIES NO LONGER IN OPERATION DUE TO SIGNIFICANT POLICY REFORMS

56. This part incorporates the reply by China to the fifth section of the questionnaire circulated on 26 November 2014 and the reply by the European Union to the same section of the questionnaire circulated on 20 January 2016 on **Information on policies no longer in operation due to significant policy reforms**.

#### China

For products listed in Annex 2A2 to the Protocol on the Accession, tea and silk were no longer subject to state trading in 2005, and soybean has never been subject to state trading since China's accession to the WTO. Please refer to the table in the reply included in document G/AG/W/125/Rev.3/Add.4 for detailed information.

#### **European Union**

Upon adoption of the Nairobi Ministerial Decision on Export Competition, the European Union has been bound by the disciplines of the Decision.