



## REPORT (2014) ON THE ACTIVITIES OF THE COMMITTEE ON AGRICULTURE

### REPORT BY THE CHAIRPERSON

The present report on the regular meetings of the Committee on Agriculture held in 2014 is submitted on the responsibility of the Chairperson, Mrs. Miriam Chaves of Argentina, as agreed by the Committee at its seventy-fifth session.

1.1. The present draft report is being circulated by the Chairperson of the Committee on Agriculture on her own responsibility. This report provides a summary of the activities of the Committee on Agriculture ("the Committee") during 2014.

1.2. The Committee held four meetings in 2014 on 29 January, 21 March, 5-6 June and 13 November.<sup>1</sup> In addition, five informal meetings were held in 2014.

1.3. In accordance with Article 18.1 of the Agreement on Agriculture ("the Agreement") at each of its meetings the Committee reviewed progress in the implementation of Members' commitments. This review process is undertaken on the basis of notifications submitted by Members in the areas of market access, domestic support, export competition, export prohibitions and restrictions as well as under the follow-up to the Marrakesh Ministerial Decision on NFIDCs. In total 82 notifications were subject to review in 2014. Specific concerns were also raised regarding the outstanding notifications that some Members had yet to submit to the Committee.<sup>2</sup>

1.4. Overall in the Committee meetings that took place in January, March, June and November 2014 Members posed 237 questions in connection with specific notifications. These questions were distributed as follows: 76% related to domestic support issues, 17% to market access, 6.5% to export subsidies and 0.5% in relation to the NFIDC Decision.<sup>3</sup>

<sup>1</sup> The summary reports of these meetings are contained in documents G/AG/R/73, G/AG/R/74, G/AG/R/75 and Corr.1 and G/AG/R/76 [to be issued].

<sup>2</sup> See for example G/AG/R/73, paras. 1.9-1.11.

<sup>3</sup> See G/AG/W/118 section 2.1-2.5; G/AG/W/126, section 2.1-2.4; G/AG/W/135, section 2.1-2.4; and G/AG/W/136, section 2.7-2.7.

1.5. A wide range of matters relevant to the implementation of commitments was also raised independently of notifications under the provisions of Article 18.6 of the Agreement. A total of 35 implementation-related issues were raised by eleven Members during 2014.<sup>4</sup> Out of these, 16 issues were discussed for the first time in 2014, whereas the remaining issues were discussed one or more times in previous years either under the review of notifications or under matters raised under Article 18.6. Topics in relation to domestic support were among the most discussed in this section (e.g., request for additional information on domestic support measures).

1.6. At each meeting the Committee reviewed the current status of Members' compliance with their notification obligations under the Agreement. A document summarizing the current status of compliance with notification requirements was circulated at each Committee meeting.<sup>5</sup> While a significant proportion of notifications are still outstanding (about 30%), Members have increased their efforts to bring their notification record up to date by submitting notifications covering multiple reporting periods.

1.7. In March the Committee, in the absence of an agreed outcome, concluded work on updating the list of Significant Exporters for the purposes of Table ES:2 notification.<sup>6</sup> The results of the discussions on the subject are reflected in the Chairperson's report "review of the list of significant exporters".<sup>7</sup> The Chairperson encouraged Members who, based on recent trade data, no longer hold a share exceeding 5% in world agricultural trade of particular products, to inform the Committee about their decision to make (or not to make) a Table ES:2 notification in view of their current share in world agricultural trade.<sup>8</sup> Similarly, in the interest of transparency, the Chair suggested that those Members who, based on recent data, hold world agricultural trade shares exceeding 5%, but who did not appear in the 1995 list of significant exporters (G/AG/2/Add.1), might consider making a Table ES:2 notification in respect of the relevant products on a voluntary basis.<sup>9</sup> In the absence of an agreement on a updated list of significant exporters, the old list agreed in 1995 (G/AG/2/Add.1) continues to determine the Table ES:2 notification obligation. An update of the list in the future would enhance the transparency and monitoring functions of the Committee by ensuring that Table ES:2 notification obligations reflect the current structure of world trade.

1.8. The first annual dedicated discussion on export competition took place during the June meeting. The discussions were held on the basis of the Secretariat's background document based on the answers to the questionnaire sent to Members on 10 February 2014, supplemented by information already contained in document TN/AG/S/27/Rev.1, and 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 2014.<sup>10</sup> This discussion was viewed as the first concrete step of one deliverable of the Bali Ministerial outcomes. The Chairperson held informal consultations to discuss how the information collection process for this exercise could be enhanced in 2015.

<sup>4</sup> The issues raised included Egypt's export restriction on rice; European Union's levy on fruits and vegetables; India's rice exports; Japan's new agricultural policy; Canada's proposed changes to tariff schedule; India's market support price for rice; India's sugar export subsidies; Turkey's domestic support and export subsidies; United States' farm Bill; Brazil's 2014-15 Harvest Plan; Honduras' tax exemptions; European Union's Sugar production levies; China's cotton Domestic Support; Ecuador's import licensing of certain agricultural products; India's national food security bill; Turkey's destination of wheat flour sale; United States Farm Bill; India's sugar export subsidies; India's wheat stocks and exports; Turkey's domestic support and export subsidies; Thailand's paddy pledging scheme; Canada's dairy policies; India's subsidization policy; India's national agricultural insurance scheme; India's landholding laws; Ecuador's domestic purchase requirements; Canada's proposed changes to tariff schedule; Saint Lucia's domestic purchase requirements for poultry and pork; Brazil's domestic support programmes; Costa Rica's compliance with AMS commitments; Brazil's tax credit programmes; Canada's tariff-rate quota cheese; Russian Federation's agricultural support for 2015; Thailand's rice farmer assistance programme; and Turkey's agricultural credit and investment subsidies. (See G/AG/W/118 section 1.1-1.14; G/AG/W/126, section 1.1-1.16; G/AG/W/135, section 1.1-1.17; and G/AG/W/136, section 1.1-1.17.).

<sup>5</sup> G/AG/GEN/86/Rev.16, Rev. 17, Rev. 18 and Rev. 19.

<sup>6</sup> Section 2.3 of G/AG/R/74.

<sup>7</sup> G/AG/W/123.

<sup>8</sup> No Members falling in this situation has so far informed the Committee about their decision.

<sup>9</sup> Some Table ES:2 notifications made subsequent to the circulation of the Chairperson's report did incorporate additional products as well as the enhanced transparency elements as recommend in the report. See for example G/AG/N/CAN/101, G/AG/N/NZL/85 and G/AG/N/USA/99.

<sup>10</sup> G/AG/W/125 and addenda 1 to 4 dated 21 May, completed by two corrigenda dated 28 May.

1.9. The Follow-up to the Ministerial Decision on Measures Concerning the Possible Negative Effects of the Reform Programme on Least developed and Net Food-Importing Developing Countries (NFIDC) was monitored in the Committee's November meeting. The monitoring exercise was undertaken on the basis of, inter alia, Table NF:1 notifications by donor Members, contributions by Members and observer organizations,<sup>11</sup> as well as a background note prepared by the Secretariat.<sup>12</sup> The WTO list of NFIDCs<sup>13</sup> remained unchanged as no new applications had been received since 2012.

1.10. The Committee maintained a standing item on its agenda relating to implementation issues, both in the framework of its follow-up to the Decision by the Doha Ministerial Conference on Implementation-Related Issues and Concerns<sup>14</sup>, as well as in the framework of issues and proposals referred to it by the General Council.

1.11. In the Committee Members continue to exchange views on approaches to strengthen the functioning of the Committee particularly its work relating to transparency. Members also continued discussions on how to improve submission of notifications. These issues were discussed in informal meetings in January, March, and June.<sup>15</sup> The Committee also discussed under an informal setting issues relating to trends in domestic support, trade trends and aspects related to the implementation of market access commitments. On this last topic, the Secretariat prepared, at the Committee's request, a compilation of recent agricultural tariff and trade data.<sup>16</sup>

1.12. The Committee also discussed in informal and formal settings follow-up to the Bali Ministerial decisions related to (i) the Understanding on Tariff Rate Quota Administration Provisions of Agricultural Products, as defined in Article 2 of the Agreement on Agriculture; (ii) Public Stockholding for Food Security Purpose; and (iii) the Bali Ministerial Declaration on Export Competition. At the November meeting as part of the follow-up to the Bali Decision on TRQ administration, the Chair suggested adopting as best practice a Table MA:2 notification format including an additional column to report TRQ fill rates.

1.13. To facilitate the preparation and review of agriculture notifications, the WTO's Agriculture and Commodities Division in collaboration with the Institute for Training and Technical Cooperation delivered the fifth workshop in Geneva on agriculture notifications on 10-13 June 2014. A total of 20 participants from developing country capitals were funded by the WTO and a number of participants came on a self-funded basis. The workshop included practical exercises related to the review process of the Committee on Agriculture and provided hands-on training on the use of the Agriculture Information Management System (AG-IMS). Participants also had the opportunity to meet individually with Secretariat staff to consult on unfulfilled notification obligations. In addition, in 2014 the Secretariat conducted five national seminars on agriculture notifications in Dominican Republic, Malaysia, Paraguay, Qatar and the United Arab Emirates.<sup>17</sup>

1.14. The following international intergovernmental organizations have regular observer status in the Committee: Food and Agriculture Organization, International Monetary Fund, the International Grains Council, OECD, UNCTAD, World Food Programme, and the World Bank. The Inter-American Institute for Agricultural Cooperation (IICA) continued to benefit from ad hoc observer status. No consensus has been reached as regards requests for observer status by eleven other international organizations.

1.15. The Committee agreed to hold regular meetings on 4 March, 4 June, 24 September and 19 November in 2015.

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<sup>11</sup> G/AG/GEN/121, submitted by IICA; G/AG/GEN/122, submitted by FAO; G/AG/GEN/123 submitted by OECD and G/AG/GEN/124 submitted by the IGC.

<sup>12</sup> G/AG/W/42/Rev.17.

<sup>13</sup> G/AG/5/Rev.10.

<sup>14</sup> Paragraph 2 of WT/MIN(01)/17.

<sup>15</sup> See, for example, G/AG/W/117, G/AG/W/122, G/AG/W/128 and G/AG/W/113.

<sup>16</sup> G/AG/W/133.

<sup>17</sup> The technical assistance activities in the United Arab Emirates and Qatar will take place in the months of November and December, respectively.