



Eighty-Fourth Regular Meeting of the Committee on Agriculture of the World Trade Organization

This note¹ describes the main points discussed during the Eighty-fourth Regular Meeting of the Committee on Agriculture of the World Trade Organization (WTO)², which the Inter-American Institute for Cooperation on Agriculture (IICA) attended in an observer capacity.

In its meetings, the Committee on Agriculture monitors WTO Member States' implementation of the commitments established in the Agreement on Agriculture. The delegates of the countries review and discuss the trade measures notified to the WTO within the framework of the agreement as well as other issues of competence of the Committee such as compliance with notifications in agriculture.

Matters addressed during the Meeting

This document aims to present some of the most relevant points for IICA and WTO countries on the trade measures notified by the countries in terms of market access, export competition and domestic support³. Other issues addressed in the WTO Agreement on Agriculture that have been addressed are compliance with country notifications and follow-up on the ministerial decisions on agriculture taken at the Bali Ministerial Conference (2013) and Nairobi (2015).

1.1 Agricultural notifications

In the specific case of countries of the Americas, three IICA Member States (Canada, Guatemala and the United States) raised questions on export subsidies, domestic support and market access measures. On the other hand, Brazil, Canada, the United States and Mexico responded to specific questions from other WTO Members (Table 1). On this occasion, the products of greater discussion on the part of countries in the Americas were dairy products - milk, cheese and butter-, agricultural fuels, and wine

¹ Prepared by IICA's Flagship Project "Competitiveness and Sustainability of Agricultural Chains for Food Security and Economic Development."

² Held on June 7 -8 2017 in Geneva, Switzerland.

³ Under the Agreement on Agriculture, all domestic support in favor of agricultural producers is subject to rules. There are basically two categories of domestic support — support with no, or minimal, distortive effect on trade (often referred to as "Green Box" measures), and trade-distorting support (often referred to as "Amber Box" measures). In WTO terminology, subsidies in general are identified by "boxes" which are given the colors of traffic lights: green (permitted), amber (slow down — i.e. be reduced), red (forbidden).

Table 1. Matters raised regarding the implementation of agricultural commitments

Countries that raised questions	Country to which question was addressed	Issue concerned
Australia	Canada	Canada's butter export subsidies.
	China	China's sugar imports .
	European Union	European Union's sugar policies
	Malaysia	Malaysia's sugar import permits .
Guatemala	European Union	European Union's export subsidies commitments
Canada	India	India's legume policies .
	United States	US ultrafiltered milk regulation.
	United States	US Federal Milk Marketing Order
United States	Indonesia	Indonesia's dairy product importation system.
	Russia	Russia's decoupled support.
	Switzerland	Switzerland's domestic product purchase requirements under tariff quotas ³ for meat
	Brazil	Brazil's domestic support programs
	India	India's support price policies for Rabi crops.
	Thailand	Thailand's rice policies.
Ucrania	Mexico	Mexico's agricultural diesel programme
	United States	US border adjusted tax proposal
Australia, Thailand, United States	Philippines	Philippines' rice waiver
European Union	Switzerland	Switzerland's tariff quota ⁴ reclassification of seasoned meat.
	Turkey	Turkey's national model for agriculture
Australia, New Zealand, United States	Canada	Canada's new milk ingredient class.
Australia, European Union, New Zealand, United States	Canada	Canada's wine sale policy.
New Zealand, United States	Canada	Canada's tariff rate quota for cheese and domestic support.
Australia, United States	India	India's wheat stocks.
	Thailand	Thailand's wheat feed import permits.

Source: Eighty-Fourth Regular Meeting of the Committee on Agriculture of the WTO, June 2017.

The meeting also discussed notifications submitted by five IICA Member States (Argentina, Brazil, Guatemala, Panama and the United States), which responded to some consultations on notifications on tariff quotas, domestic support and export subsidies (Table 2) .⁴

³A tariff quota is a ceiling on exports or imports of a good, which is applied to a specific quantity of the good concerned or for a specific period of time. In other words, a tariff quota is applied for a certain period of time to a maximum amount of goods, in which case the exports or imports are exempt from paying custom duties, or a preferential tariff is applied

Table 2. Topics consulted with respect to agricultural notifications.

Countries consulted	Subject of the notification
Thailand	Notifications relating to the administration of commitments on tariff quotas and other types of quotas.
European Union, Japan, and United States	Notifications relating to imports carried out within the framework of the commitments with regard to tariff quotas and other types of quotas.
Argentina, Brazil , Burundi, European Union, Gabon, Guatemala, Panama , Russian Federation, Ukraine, United States, Zambia	Notifications relating to commitments on internal assistance.
United States	Reports relating to the introduction or modification of internal assistance measures that are exempt from the reduction.
European Union, Malawi, Switzerland	Reports relating to the commitments of export subsidies.

Source: Eighty-fourth Regular Meeting of the Committee on Agriculture of the WTO, June 2017.

Finally, a series of notifications that were sent to the Secretariat of the WTO were not subject to consultation (table 3), but it is not ruled out that they might be reviewed at later meetings. On this occasion, five Member States of IICA (Costa Rica, the United States, Guatemala, Panama, and Saint Vincent and the Grenadines) presented reports and did not receive any requests for clarification from other countries.

Table 3. Agricultural notifications presented that were not subject to consultations.

Countries that notified	Subject of the notification
United States	Notifications relating to the administration of commitments with respect to tariff quotas and other types of quotas.
Japan, New Zealand, Norway, Panama , Chinese Taipei, United States	Notifications relating to the imports of tariff quotas and other types.
Taipei Chinese, Costa Rica , European Union, Iceland, Japan, Korea, New Zealand, Panama , Taipei Chinese	Reports within the framework of special ⁵ safeguard.
Cuba, Guatemala , China, Iceland, Malawi, New Zealand, Saint Vincent and the Grenadines	Notifications within the framework of the commitments of internal assistance
Burundi, Chad, Costa Rica , Gabon, Iceland, Japan, China, Malawi, New Zealand, Saint Vincent and the Grenadines , Togo, Ukraine, United States	Notifications within the framework of the commitments related to export subsidies.

Source: Eighty-fourth Regular Meeting of the Committee on Agriculture of the WTO, June 2017.

1.1. Other topics addressed during the meeting

- **Monitoring of the Nairobi decisions:** Under the 2015 Nairobi Decision regarding agricultural subsidies, the Committee carried out the exercise of monitoring implementation of the provisions. In this regard, a document on export subsidies, international financing of food aid and state agricultural exporting enterprises were discussed. Similarly, the Cairns Group and Russia presented the results of their policy analysis of support for exports.

⁵ Safeguards are exceptional measures of protection that a country uses in order to temporarily protect certain local industries that have been damaged or which are facing a threat of severe harm, due to a significant increase in the goods in the domestic market under conditions of unfair competition.

Of 18 Members with reduction commitments, only Panama and New Zealand had already eliminated export subsidies. Australia presented a calendar for reduction and other Members reported on the steps they have to take at the internal level in order to modify their commitment schedules.

The Members shared information on other aspects of export competition, such as export credits and food assistance, as well as their agrarian policy. In this regard, Mr. Alf Vederhus, chairman of the Committee, urged the Members to redouble efforts to share accurate information in a timely manner.

- **Compliance with notifications:** The Committee presented the general results of annual monitoring within this category. The levels of transparency⁶ have fluctuated over the past decade. They increased after a period of decline (2002-2007) and have been growing again since 2008 (except in 2013 and 2015). The Committee invites the Members to not only notify, but to do it completely and in all the areas where there is a commitment to notify; internal assistance was identified as the weakest pillar of notification.

It should be underscored that countries in the Americas, in general, have very good levels of compliance with notification; the exceptions are internal aids, where several countries have not notified on measures since the beginning of the century.

In this area, it is also important to underscore that the Committee is promoting both the act of notifying, and that of answering the questions that the Members pose promptly and completely. In this regard, Panama and Canada were recognized by the Members for the information presented to the countries during the review of notifications on internal assistance.

2. Other matters

- The request of the International Food Policy Research Institute (IFPRI) to become an Observer Member of the Committee on Agriculture will continue to be examined at the upcoming regular meetings.
- Training sessions on transparency. The Committee is conducting workshops and information sessions in order to strengthen the capacities of the Members with regard to notifications. The next session will be held from October 16 to 20, 2017.
- Finally, it was agreed that the next regular meeting of the Committee on Agriculture would be held on 17 and 18 October. This will be the last meeting for the year due to the intensity of preparations for the Eleventh Ministerial Conference of the WTO, which will be held in Buenos Aires, Argentina.

3. Institutional contact points

For more information, kindly contact Adriana Campos Azofeifa, trade specialist at IICA, via e-mail adriana.campos@iica.int or telephone (506) 2216-0170, or Nadia Monge Hernández, trade officer at IICA, via e-mail nadia.monge@iica.int or telephone (506) 2216-0358.

⁶ Transparency is a principle of the WTO that consists of the “degree of visibility and predictability of the policies and business practices and of their process of preparation” (WTO, 2017). This is achieved through certain instruments such as reports of commercial measures that the Member Countries issue; in the case of agriculture, these are linked to market access, internal assistance, and export competition.