



**PROPOSAL ON DOMESTIC SUPPORT, PUBLIC STOCKHOLDING FOR  
FOOD SECURITY PURPOSES AND COTTON FROM BRAZIL,  
EUROPEAN UNION, COLOMBIA, PERU AND URUGUAY**

The following proposal, dated 14 July 2017, is being circulated at the request of the aforementioned supporting Members.

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**I. DOMESTIC SUPPORT**

1. A) Developed Members shall not provide trade distorting domestic support in excess of [X%] of the total value of agricultural production as of [2018], while developing Members shall not provide trade distorting domestic support in excess of [X+2%] of the total value of agricultural production as of [2022]. This paragraph shall not apply to least developed Members.<sup>1</sup>

OR

B) Developed Members shall not provide trade distorting domestic support in excess of [X%] of the total value of agricultural production as of [2018], while Developing Members shall not provide trade-distorting domestic support in excess of [X%] as of [XXXX]. From [2022] until [XXXX], developing Members shall not provide trade-distorting domestic support in excess of [X+Y%] of the total value of agricultural production. This paragraph shall not apply to least developed Members.<sup>2</sup>

2. Trade-distorting domestic support shall include the domestic support referred to in Articles 6.3 and 6.4 of the Agreement on Agriculture. Members agree to the objective of including Blue Box support (Article 6.5) in the overall ceiling referred to in paragraph 1, subject to the terms to be defined by [MC12]. The negotiations to do so should take into account:
- (a) That Blue Box support does not have the trade distorting effect of Amber Box support and so should be accounted for differently, thus ensuring a continued incentive for Members to use the Blue Box to move away from Amber Box support.
  - (b) The need for adequate transitional periods.

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<sup>1</sup> Any Member whose average notified trade-distorting domestic support applied during the 2013-2015 period was above [X]% of the total value of agricultural production, shall have an additional [five] years to implement this commitment, unless it is in a position to do so at an earlier date. Members benefitting from this footnote shall nevertheless not provide trade-distorting domestic support in excess of the average notified level of trade-distorting domestic support applied during the 2013-2015 period.

<sup>2</sup> Any Member whose average notified trade-distorting domestic support applied during the 2013-2015 period was above [X]% of the total value of agricultural production, shall have an additional [five] years to implement this commitment, unless it is in a position to do so at an earlier date. Members benefitting from this footnote shall nevertheless not provide trade-distorting domestic support in excess of the average notified level of trade-distorting domestic support applied during the 2013-2015 period.

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- (c) The efforts already made by those Members who have used the Blue Box by the date of this decision to move away from Amber Box support in a manner that is compatible with the objectives of this decision.
3. The total value of agricultural production for a Member shall be calculated as the average value of production of agricultural products which the Member has notified for the three most recent years for which domestic support notifications have been examined by the Committee on Agriculture. The total value of agricultural production shall be updated annually on the basis of information provided by Members to the WTO Secretariat, as referred to in paragraph 5.
4. Members shall also continue to respect the existing limits set out in the Agreement on Agriculture on the provision of domestic support.
5. Members commit to enhance transparency and to improve monitoring in relation to all domestic support measures. Members therefore agree to hold dedicated discussions on an annual basis in the Committee on Agriculture to examine relevant developments in the field of domestic support. This examination process shall provide an opportunity for Members to raise any matter relevant to the domestic support pillar. The dedicated discussions shall be undertaken on the basis of factual information and data compiled by the WTO Secretariat from Members' notifications, complemented, as appropriate, by relevant information provided by Members to the WTO Secretariat, on the basis of Members' responses to a questionnaire, as illustrated in the Annex.

## II. PUBLIC STOCKHOLDING

6. The proponents agree that any decision on domestic support should provide for a definitive solution on the issue of public stocks for food security purposes that would cover programs that existed at the time of the Bali Declaration and new programs under certain conditions, as well as all programs of public stockholding for food security applied by least developed Members. The proponents are ready to engage in negotiations thereto and as a contribution to discussions would like to suggest the following as one of the possible approaches to that effect.

Domestic support provided for traditional staple food crops<sup>3</sup> in pursuance of public stockholding programmes for food security purposes, that are consistent with the criteria of paragraph 3, footnote 5, and footnotes 5 and 6 of Annex 2 to the Agreement on Agriculture, shall not be required to be accounted for in the limit set out in paragraph 1 of the present Decision and shall not be required to be accounted for in the AMS<sup>4</sup> provided that the support falls into one of the following categories:

- (a) Support applied by a least developed Member.
- (b) Support applied by any other developing member if the value of the stocks procured does not exceed [10%] of the average value of production of that product in that Member as notified in the three latest domestic support notifications examined by the Committee on Agriculture before the date of adoption of the current Decision. The value of production shall be updated annually on the basis of information provided by Members to the WTO Secretariat, as referred to in paragraph 8.<sup>5</sup>
- (c) Support provided under programmes which existed at the date<sup>6</sup> of the Decision of the Bali Ministerial Conference on public stockholding for food security purposes<sup>7</sup> and provided that the member concerned respects the requirements of that Decision.

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<sup>3</sup> This term refers to primary agricultural products that are predominant staples in the traditional diet of a developing Member.

<sup>4</sup> Including *de minimis*.

<sup>5</sup> Members may also choose not to update the value of production for the product in question.

<sup>6</sup> 7 December 2013.

<sup>7</sup> Document WT/MIN(09)/38 – WT/L/913.

7. Any developing Member seeking to benefiting from paragraph 6 shall:
- a) Notify the Committee on Agriculture of the value of production and value of acquired stocks of the product concerned prior to the implementation of the public stockholding programme. The value of production shall be updated annually on the basis of information provided by Members to the WTO Secretariat, according to paragraph 8.
  - b) Fulfil and continue to fulfil its domestic support notification requirements under the Agreement on Agriculture in accordance with document G/AG/2 of 30 June 1995.
  - c) Provide, and continue to provide on an annual basis, additional information by completing the template contained in the Annex of this Decision, for each public stockholding programme that it maintains for food security purposes and provide any additional relevant statistical information described in the Statistical Appendix to the Annex as soon as possible after it becomes available, as well as any information updating or correcting any information earlier submitted.
  - d) Ensure that stocks procured under such programmes do not distort trade or adversely affect the food security of other Members. To this end, no direct export from the stocks shall occur upon the release of products from the stocks nor any release of products from the stock shall occur on the condition that they are exported.
8. Public stockholding programmes covered by paragraph 6 shall be examined in the annual Dedicated Discussions on public stockholding programmes. This examination process shall provide an opportunity for Members to raise any matter relevant to the stockholding programmes operated by other Members. The dedicated discussions shall be undertaken on the basis of factual information and data compiled by the WTO Secretariat provided by Members to the WTO Secretariat according template contained in the Annex of this Decision.

### **III. COTTON**

9. In accordance with the Ministerial mandate to address cotton ambitiously, expeditiously and specifically, Members shall agree to an overall limit, as defined in paragraph 1, on all the trade-distorting domestic support provided for cotton at [W%] of the cotton value of production.
10. Members shall review the impact on trade of the product-specific limit for cotton no later than [2019] with a view to agreeing on the next steps to be taken in phasing out trade-distorting domestic support provided for cotton.

### **IV. WORK PROGRAMME**

11. Members reaffirm the importance of continuing the reform process envisaged in Article 20 of the Agreement on Agriculture and agree to start discussion on further disciplines to limit trade distorting support no later than [2020].
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## ANNEX

### Domestic Support<sup>1</sup>

In addition to annual notifications requirements on domestic support under the relevant provisions of the Agreement on Agriculture and related Decisions, Members shall provide information on trade-distorting domestic support and total value of agricultural production, within the context of an annual examination process, based on the following structure:

1. Total amount of trade distorting support provided to agriculture in the three most recent years for which the data is available.
2. Total value of agricultural production in the three most recent years for which the data is available.
3. Source of the data referred in points 1 and 2 and if available, relevant legislative or website reference.

### Public Stockholding programmes

Members shall provide information on public stockholding programmes existing as of 7 December 2013, within the context of an annual examination process, based on the following structure:

1. Value of production of the product subject to public stockholding in a Member.
2. Value of acquired stocks of the product subject to public stockholding in a Member.
3. Factual information confirming that DS:1 notifications and relevant supporting tables for the preceding five years are up-to-date (e.g. date and document details).
4. Details of the programme sufficient to identify food security objective and scale of the programme, including:
  - a. Name of the programme;
  - b. Traditional staple food crop(s) covered;
  - c. Agency in charge of implementation;
  - d. Relevant laws and regulations;
  - e. Date of commencement of the programme;
  - f. Officially published objective criteria or guidelines.
5. Practical description of how the programme operates, including:
  - a. Provisions relating to the purchase of stocks, including the way the administered acquisition price is determined;
  - b. Provisions related to volume and accumulation of stocks, including any provisions related to pre-determined targets and quantitative limits;
  - c. Provisions related to the release of stocks, including the determination of the release price and targeting (eligibility to receive procured stocks);
  6. A description of any measures aimed at minimising production or trade distortive effects of the programme.
7. Statistical information (as per the Statistical Appendix below).
8. Any other information considered relevant, including website references.

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<sup>1</sup> Notwithstanding paragraphs 3 and 6 of this Decision, developing country Members, unless they are in a position to do so at an earlier date, shall implement this no later than four years following the date of adoption of this Decision.

**Statistical Appendix (per crop) (data for the latest three years)**

	Unit	[Year 1]	[Year 2]	[Year 3]
<b>[Name of the crop]</b>				
a. Opening balance of stocks				
b. Annual purchases under the programme (value)				
c. Annual purchases under the programme (quantity)				
d. Annual releases under the programme (value)				
e. Annual releases under the programme (quantity)				
f. Purchase prices				
g. Release prices				
h. End-year stocks				
i. Total production (quantity)				
j. Total production (value)				
k. Information on population benefiting from the release of this crop and quantities released:				
• Estimated number of beneficiaries at national level and, if possible, at subnational level				
• Quantity released to the beneficiaries at the national level and, if possible, at the sub-national level				
• Other				
l. In the case of government aid to private storage, statistics on the support granted and any updated statistics				
m. Total imports (value)				
n. Total imports (quantity)				
o. Total exports (value)				
p. Total exports (quantity)				