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REPORT (2023) ON THE ACTIVITIES OF THE COMMITTEE ON AGRICULTURE

REPORT BY THE CHAIRPERSON

- 1.1. The present report is being circulated by the Chairperson of the Committee on Agriculture on his own responsibility. This report provides a summary of the activities of the Committee on Agriculture ("the Committee") during 2023.
- 1.2. The Committee organized four formal meetings in 2023 on 27-28 March, 27-28 June, 27-28 September, and 27-29 November 2023.¹ Seven informal meetings of the Committee were held respectively on 13 February, 13 March, 27 March, 6 June, 27 June, 27 September, and 27 November. Mr. Marcel Vernooij of the Netherlands chaired the Committee's March and June meetings. In June 2023, the Committee elected Mr. Kjetil Tysdal of Norway as the new Chairperson for 2023-2024. Mr. Tysdal chaired the September and November Committee meetings in 2023.
- 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 based on 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 Ministerial Decision on Measures Concerning the Possible Negative Effects of the Reform Programme on Least-Developed and Net Food-Importing Developing Countries (NFIDC Decision). Between 1 January and 29 November, 388 agriculture notifications were circulated.
- 1.4. In 2023, Members posed 320 questions in connection with specific notifications during the Committee's review process.² These questions were distributed as follows: 84% related to domestic support issues, 12% to market access, and the remaining 4% in relation to the export competition, export restrictions and prohibitions, and the NFIDC Decision. Specific concerns were also raised regarding outstanding notifications that some Members had yet to submit to the Committee.
- 1.5. Members also raised a wide range of matters relevant to the implementation of commitments, independently of notifications, under Article 18.6 of the Agreement. A total of 360 questions on 129 specific implementation matters (SIMs) were raised by 20 Members during 2023. Out of these, 80 SIMs were discussed for the first time in 2023. The remaining matters were discussed on one or more occasions in previous years.
- 1.6. Since 2018, the Secretariat has been monitoring the number of outstanding responses under the CoA review process.³ A gradual reduction in the number of outstanding responses has been observed since this exercise started. As of the November Committee meeting, 144 responses were pending for questions raised during 2013-2021 and 36 for questions raised in 2022. The successive Chairpersons continued to encourage Members to increase their efforts to submit the outstanding responses as a means to enhance the efficacy of the Committee's monitoring functions.
- 1.7. At each meeting, the Committee reviewed the status of Members' compliance with their notification obligations under the Agreement on Agriculture based on the Secretariat document

 $^{^1}$ The summary reports of these meetings are contained in documents <u>G/AG/R/105</u>, <u>G/AG/R/106</u>, <u>G/AG/R/107</u>, and <u>G/AG/R/108</u> (to be issued).

 $^{^2}$ See <u>G/AG/W/231</u>, <u>G/AG/W/237</u>, <u>G/AG/W/241</u>, and <u>G/AG/W/243</u>.

 $^{^3}$ The Secretariat circulated a list of outstanding responses in documents <u>G/AG/W/204/Rev.9</u>, <u>G/AG/W/204/Rev.10</u>, and <u>G/AG/W/204/Rev.11</u>.

summarizing the status of compliance with notification requirements.⁴ While a significant proportion of notifications are still outstanding (about 23% of all notifications from 1995-2021), Members are continuing their efforts to bring their notification record up to date. In 2023, Members used for the first time the simplified mechanism agreed at the November 2022 meeting⁵ to allow Members to orally announce at Committee meetings their non-recourse to export subsidies in order to fulfil their outstanding export subsidy notifications (Table ES:1). In 2023, a total of nine Members used this mechanism at the March and June meetings to announce their non-recourse to export subsidies and clear thereby a total of more than 190 years of their outstanding export subsidy notifications.

- 1.8. The Committee conducted the annual monitoring exercise on the follow up to the Marrakesh NFIDC Decision under Article 16.2 of the Agreement on Agriculture and the annual consultations under Article 18.5 to review the normal growth of world agricultural trade in the context of export subsidy commitments at its November meeting. The NFIDC monitoring exercise was undertaken on the basis of Table NF:1 notifications by donor Members, contributions by Members and observer organizations⁶, as well as a background note prepared by the Secretariat.⁷ The WTO list of NFIDCs was updated to include Tonga as decided at the meeting of the Committee on 27-28 March 2023.8 The consultations to review the normal growth of world agricultural trade were informed by a background note by the Secretariat9.
- 1.9. The Committee also discussed follow-up to the Ministerial Outcomes, specifically related to (i) the Understanding on Tariff Rate Quota (TRQ) Administration Provisions of Agricultural Products, as defined in Article 2 of the Agreement on Agriculture¹⁰; (ii) the Ministerial Declaration on the Emergency Response to Food Insecurity¹¹; (iii) Ministerial Declaration on the WTO response to the COVID-19 pandemic and preparedness for future pandemics¹²; (iv) the Nairobi Ministerial Decision on Export Competition¹³; and (v) Bali Decision on Public Stockholding (PSH) for food security purposes.¹⁴ With respect to the Bali PSH Decision, a group of Members updated the Committee on their consultations with India under paragraph 6 of the Decision. 15
- 1.10. On the Bali TRQ Decision, at the June meeting, Members concluded the first triennial review of the operation of the Bali TRQ Decision. The report of the review was circulated under G/AG/36. The approved report includes, inter alia, an agreement among Members on enhanced transparency of MA:2 notifications in respect of TRQs with country-specific quota allocations in the Schedule. The notifying Members in such cases are encouraged to report imports disaggregated by supplying countries, along with total in-quota imports.
- 1.11. The Committee continued discussions on a dedicated work programme on food security pursuant to the MC12 Declaration on Food Insecurity in accordance with the agreement¹⁶ reached among Members on the thematic outline of the work programme and the associated working methods. The Working Group set up under the agreed work programme had seven meetings in 2023. 17 The first four meetings were coordinated by Mr. Marcel Vernooij of the Netherlands. Upon the departure of Mr. Vernooij from Geneva in July 2023, Mr. Kjetil Tysdal of Norway took over as the new coordinator of the working group. Mr. Tysdal coordinated the working group discussions during the three meetings held from September to November 2023. Both coordinators regularly reported progress on the discussions under the work programme to the Committee. 18 Members also submitted written contributions¹⁹ to the working group. The Secretariat prepared a summary of

⁴ G/AG/GEN/86/Rev.48, G/AG/GEN/86/Rev.49, G/AG/GEN/86/Rev.50 and G/AG/GEN/86/Rev.51.

⁵ <u>G/AG/R/104</u>, paragraph 2.17.

 $^{^{6}}$ $\frac{\text{G/AG/GEN/230}}{\text{G/AG/GEN/231}}$ and $\frac{\text{G/AG/GEN/231}}{\text{G/AG/GEN/231}}$ (submissions respectively by the FAO and the WFP).

⁷ G/AG/W/<u>42/Rev.23/Add.1</u>.

⁸ G/AG/5/Rev.12.

⁹ G/AG/W/32/Rev.22

¹⁰ WT/MIN(13)/39 - WT/L/914. 11 WT/MIN(22)/28 - WT/L/1139. 12 WT/MIN(22)/31 - WT/L/1142.

 $[\]frac{13}{\text{WT/MIN/(15)/45}} - \text{WT/L/980}.$

¹⁴ WT/MIN(13)/38 - WT/L/913.

¹⁵ Paragraphs 3.44 to 3.57 of <u>G/AG/R/105</u>.

¹⁶ <u>G/AG/35</u>.

¹⁷ 1 March 2023, 17 April 2023 (<u>ICN/AG/1</u>), 8 June 2023 (<u>ICN/AG/3</u>), 19 July 2023 (<u>ICN/AG/6</u>),

²¹ September 2023 (ICN/AG/7), 31 October 2023 (ICN/AG/9), and 13 November, reconvened on 20 November 2023 (ICN/AG/10).

 $^{^{18}}$ Annex 2 of G/AG/R/105, Annex 3 of G/AG/R/106, and Annex 3 of G/AG/R/107.

¹⁹ RD/AG/114 and RD/AG/114/Add.1, RD/AG/115 and RD/AG/119.

Members' responses²⁰ to the questionnaire on food security needs and challenges of LDCs and NFIDCs, as contained in G/AG/W/233. The coordinator's reports, encapsulating potential areas of convergence and recommendations arising from the work program, are contained in G/AG/W/240, RD/AG/120, RD/AG/120/Rev.1, and RD/AG/120/Rev.2. The revised report by the coordinator in RD/AG/120/Rev.2 was considered at the final meeting of the Working Group on 13 and 20 November 2023. However, the Working Group did not reach a consensus to finalize its report and recommendations for transmission to the Committee, as one Member expressed concerns about some elements of the report. Consequently, the coordinator provided a report on the work and status of discussions in the Working Group to the Committee at its meeting on 27-29 November. The Committee took note of the report by the coordinator and acknowledged the current lack of consensus based on the revised coordinator's report in RD/AG/120/Rev.2. The Chairperson also informed the Committee that he might convene a special meeting, pursuant to paragraph 6 of the Committee's working procedures, if consensus were to emerge in the coming days based on the revised report of the Coordinator in RD/AG/120/Rev.2. There was no agreement to further extend the continuation of the working group beyond the agreed timeline of 30 November 2023.²¹

- 1.12. As was agreed at the special meeting of the Committee in June 2020, the Committee continued to discuss 'COVID-19 and Agriculture' in its meetings in 2023. Since the September 2022 meeting of the Committee, the discussions were taken up within the overall guidance of the MC12 Declaration on the WTO Response to the COVID-19 Pandemic and Preparedness for Future Pandemics specifically in light of paragraph 24 of the Declaration. For all meetings in 2023, the Committee undertook discussions on 'COVID-19 and Agriculture' together with the agenda on the Work Programme pursuant to paragraph 8 of the MC12 Declaration on food insecurity in view of the overlap across them. These discussions were organized based on submissions by Members²² and observer international organizations²³. At the request of the Chair of the Council for Trade in Goods (CTG) in October 2022²⁴, the Chair of the Committee, in consultation with the Secretariat, prepared a factual report²⁵ on the Committee's activities in relation to COVID-19. The Chair's report highlighted the impressive job the Committee had done in carrying out its functions during the COVID-19 pandemic, both in terms of the process, starting from a special meeting that the Committee held in June 2020 as well as efforts towards enhanced transparency, including via ad hoc reports on Members' COVID-19 agricultural measures to enable a timely review of Members' measures taken in response to the pandemic.
- 1.13. The follow-up to the Nairobi Ministerial Decision on Export Competition mainly consisted of the annual dedicated discussion on export competition. The 2023 annual dedicated discussion took place in the June 2023 meeting based on the Secretariat's background document²⁶ as well as specific questions raised by Members on matters related to the implementation of the Nairobi Decision.²⁷ Regarding the modification of the scheduled export subsidy commitments pursuant to the Nairobi Decision, the latest situation as reported by the Chairperson at the September 2023 Committee meeting was as follows: out of the 16 Members with export subsidy reduction commitments at the time of the Nairobi Decision, 13 Members²⁸ had their schedule revised pursuant to the Decision, two²⁹ other Members had submitted their revised draft schedule in 2017 where the certification has been pending, and the remaining one Member³⁰ had not yet circulated its draft schedule.
- 1.14. The Committee maintained a standing item on its agenda relating to implementation-related issues, both in the framework of its follow-up to the Decision by the Doha Ministerial Conference on

²⁰ Argentina; Australia; Bangladesh; Brazil, Canada; Chile; China; Dominican Republic; Egypt; the European Union; Hong Kong, China; India; Japan; Korea, Republic of; the LDC Group; Mauritius; Myanmar; Nepal; New Zealand; Pakistan; Paraguay; Russian Federation; Sri Lanka; Switzerland; Chinese Taipei; Thailand; Türkiye; the United Kingdom; and the United States of America.

²¹ G/AG/35.

²² JOB/AG/248 and other symbols (India).

²³ G/AG/GEN/217 (FAO), G/AG/GEN/218 and G/AG/GEN/231 (WFP), G/AG/GEN/221 (WFP), G/AG/GEN/227 (IGC), and G/AG/GEN/228 and G/AG/GEN/230 (FAO).

²⁴ JOB/CTG/18.

²⁵ G/AG/W/228 - G/L/1469.

²⁶ G/AG/W/125/Rev.18, G/AG/W/125/Rev.19, addenda and corrigenda.

²⁷ Section 5 of <u>G/AG/W/237</u> and <u>G/AG/W/241</u>.

²⁸ Australia, Brazil, Colombia, Iceland, Indonesia, Israel, Mexico, Norway, South Africa, Switzerland, Türkiye, United States of America, and Uruguay.

²⁹ Canada and the European Union.

³⁰ Bolivarian Republic of Venezuela.

Implementation-Related Issues and Concerns³¹, as well as in the framework of issues and proposals referred to it by the General Council. At the March 2023, the Committee agreed to the Chairperson's suggestion to take up the agenda item on implementation-related issues only at the November meetings of the Committee.³²

- **1.15.** In 2023, the Committee continued its deliberations on possible elements to enhance transparency and the Committee's review process. The issue was considered in seven informal meetings on 13 February, 13 March, 27 March, 6 June, 27 June, 27 September, and 27 November. As outcomes of these discussions, the Committee approved the use of an annotated agenda for its meetings along the draft circulated by the Secretariat, a trial basis for the June 2023 CoA meeting in document RD/AG/112. At the request of the CTG Chair, the Committee also finalized a report on the improvements which had been agreed to be implemented to enhance its functioning.³³ With the aim of providing Members with a timely advance notice to prepare questions, and additional time to the responding Members to enable them to provide adequate responses in the course of Committee meetings, the Committee agreed, on 29 November, to modify the current timelines for raising matters at its meetings.³⁴
- 1.16. The Committee also continued discussions aimed at improving the timeliness and completeness of Members' notifications as well as examining notification requirements in the pillars of export competition and market access.³⁵ To facilitate the deliberations on export competition notifications and transparency, the Chair, with the assistance of the Secretariat, presented suggestions for the consideration of Members.³⁶
- 1.17. In 2023, based on Members written submissions³⁷, the Committee also dwelt on the crosscutting themes of transfer of technology³⁸ and the intersection between trade and environment. In a separate, but not unrelated agenda item, the Committee, at the request of some Members³⁹, also discussed a letter by a group of seventeen Members across different continents regarding the European Union's regulation on deforestation-free products (EUDR).
- 1.18. Several online tools support the Committee's monitoring and transparency functions. Since 2012, the Agriculture Information Management System (AG-IMS)⁴⁰ has facilitated Member submission of questions and responses in the context of the Committee's monitoring of implementation of commitments. In March 2023, the Secretariat launched the Export Competition Questionnaire (ECQ) Information Management System, providing online functionality for the on-line submissions of ECQ responses, along with online data extraction and reporting functions. Meanwhile, during the Committee meetings in 2023, the Secretariat regularly updated Members on the progress made regarding the project to develop a database on agricultural domestic support sourcing the information from Members' domestic support notifications. The Secretariat completed and delivered the first part of the database for use by Members (and the general public) in July 2023. The first set of reports on the three 'exempt' domestic support categories, namely the Green Box, Article 6.2 development programmes, and the Blue Box are already accessible on the AG-IMS, both in the notified currency and in USD. At an information session held in the margins of the November Committee meeting, the Secretariat made a detailed presentation on the Committee's review process, and the digital tools maintained by the Secretariat.⁴¹
- 1.19. Regarding technical assistance activities, the WTO Secretariat delivered the first virtual phase of the advanced agriculture notification workshop on 3-5 October 2023. The second phase is scheduled to take place in September 2024. In 2022, the WTO's Agriculture and Commodities Division delivered workshops on the Agreement on Agriculture and notifications in the Dominican Republic (virtually); Honduras; Kazakhstan; Moldova, Republic of; Nigeria; and El Salvador.

 $^{^{31}}$ WT/MIN(01)/17, para. 2.

³² G/AG/R/105, para. 3.65 to 3.66.

³³ G/L/1509 - G/AG/37.

³⁴ G/AG/1/Add.1.

³⁵ G/AG/W/232 (China), G/AG/W/230 (Costa Rica), and RD/AG/110 (European Union).

³⁶ ICN/AG/2, RD/AG/109, RD/AG/109/Rev.1, RD/AG/117, RD/AG/118.

³⁷ G/AG/W/238 (African Group), G/AG/W/239 (African Group), G/AG/GEN/222/Rev.1 (Cairns Group),

³⁸ At the November meeting, the Committee advised the Secretariat to explore the organization of thematic discussions on technology transfer in 2024.

³⁹ <u>G/AG/GEN/223/Rev.2</u> (Indonesia, Brazil, Malaysia, Paraguay, and Thailand).

⁴⁰ http://agims.wto.org/.

^{41 &}lt;u>RD/AG/125</u>.

Additionally, upon request, the Secretariat organized one-on-one trainings on the AG-IMS to assist Members with the use of the online notification submission system.

- 1.20. The following international intergovernmental organizations have regular observer status in the Committee: Food and Agriculture Organization (FAO), International Monetary Fund (IMF), the International Grains Council (IGC), Organisation for Economic Co-operation and Development (OECD), United Nations Conference on Trade and Development (UNCTAD), World Food Programme (WFP), and the World Bank. The Committee agreed to invite the Inter-American Institute for Cooperation on Agriculture (IICA) as an *ad hoc* observer to participate in the formal meetings of the Committee in 2024.
- 1.21. The dates of the meetings of the Committee in 2024 were announced at the November 2023 CoA meeting.⁴²

 $^{^{42}}$ To be issued under <u>G/AG/GEN/232</u>.