



Understanding International Disciplines on Agricultural Domestic Support

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Constraints on Domestic Support

- Agreement on Agriculture obliged members to notify domestic support
 - Current Total AMS (includes MPS and NE-DPs)
 - Blue Box
 - Green Box
- CT-AMS compared to Final Bound Total AMS

Issues Addressed

- Have the Domestic Support Notifications increased policy transparency?
- Would the Doha Round if concluded impose more effective constraints on domestic support?
- Do the Domestic Support Notifications monitor the switch toward less trade-distorting instruments of support?
- How might the notification process and the disciplines that are imposed be improved even beyond the Doha negotiations?

Experience with Developed Countries

- Japan
- Norway
- EU
- US

Includes the three largest users of domestic support and one high-support small country

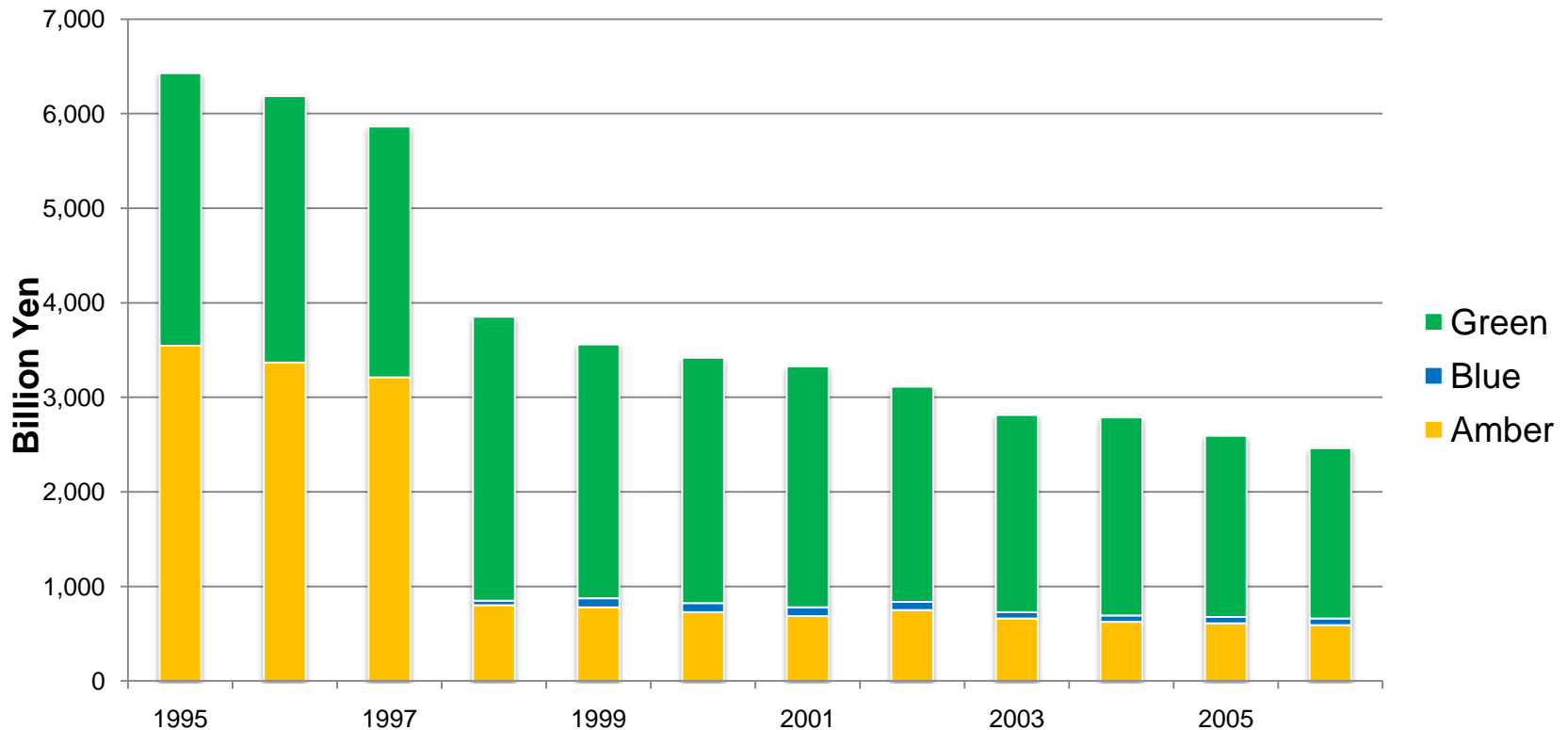
Analysis for each Country

- Pattern of Domestic Support as Notified to the WTO
- Consistency with WTO Bindings
 - AMS under UR schedules
 - AMS under Doha Modalities
 - Blue Box Constraints under Doha Modalities
(when relevant)
 - OTDS Constraints under Doha Modalities
- Calculation of alternative to MPS using producer prices, total quantities, and current reference prices (called Value of Nominal Protection -- VNP)

The Doha Domestic Support Modalities

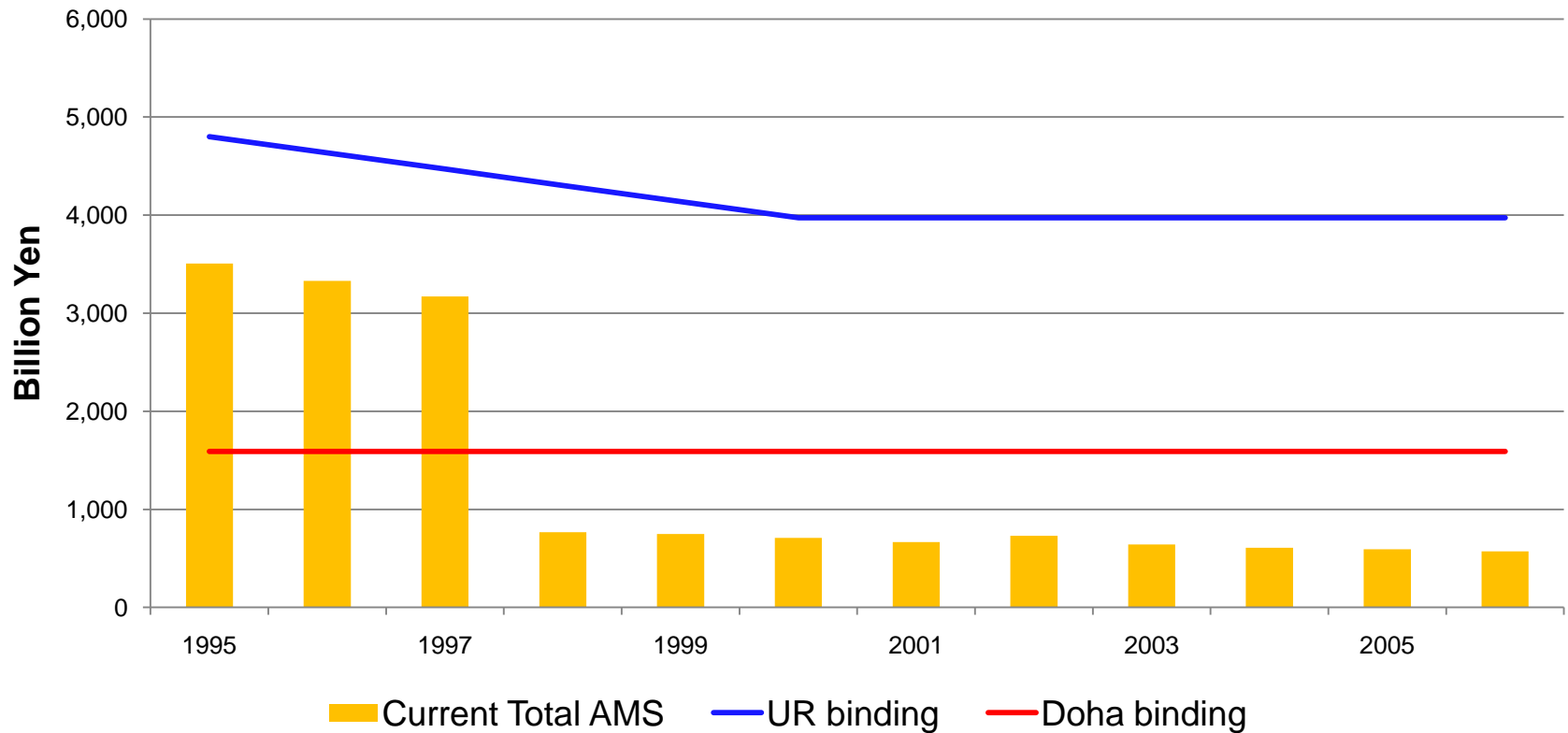
- Reduction in the Final Bound AMS
- Reduction in *de minimis* allowances
- Cap on Blue Box support
- Cap and reduction in the OTDS (AMS + *de minimis* + Blue Box)
- Product-specific AMS and Blue Box caps

Japan: Domestic Support, 1995-2006



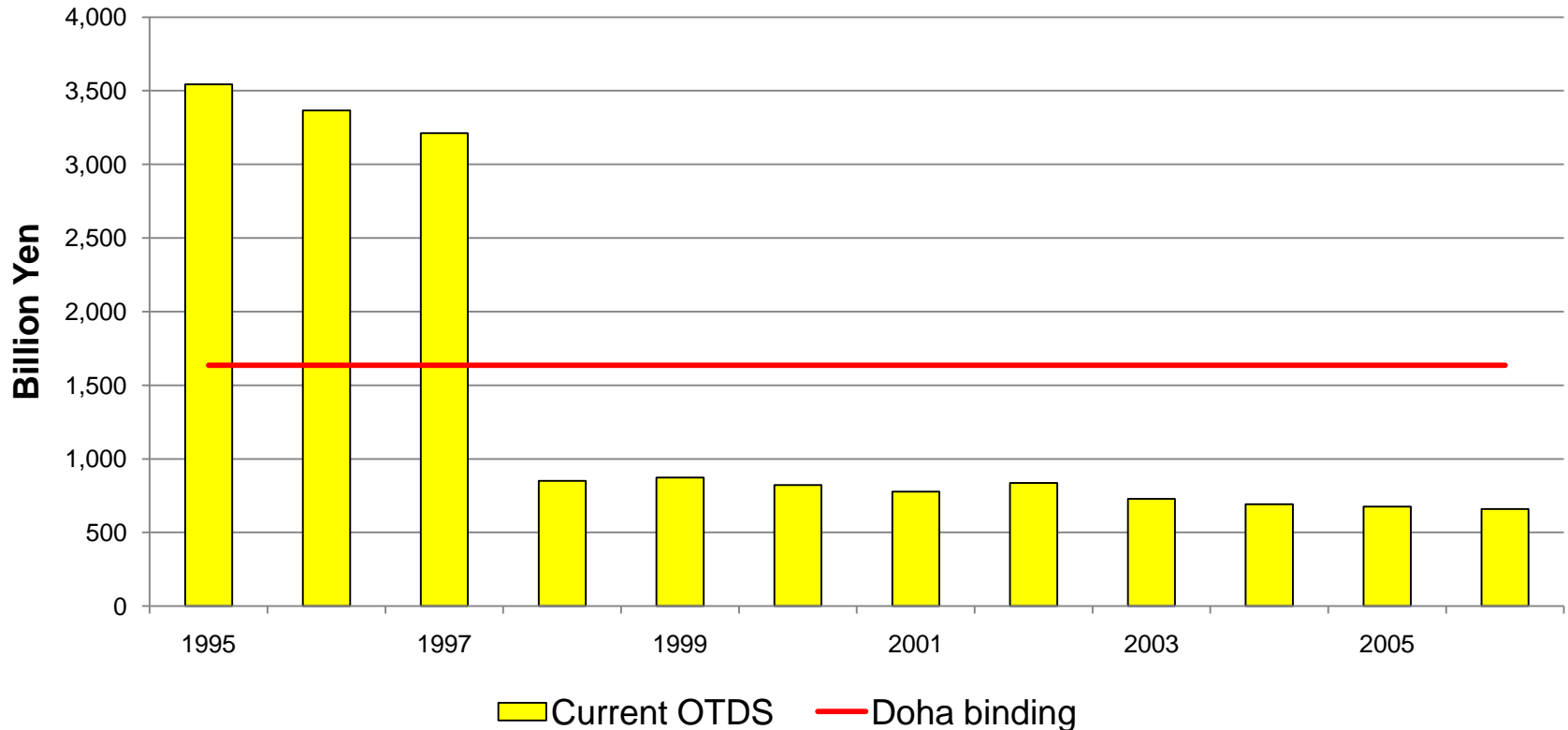
Source: Godo and Diego (IFPRI study) based on WTO notifications

Japan: AMS Compared to WTO Bindings



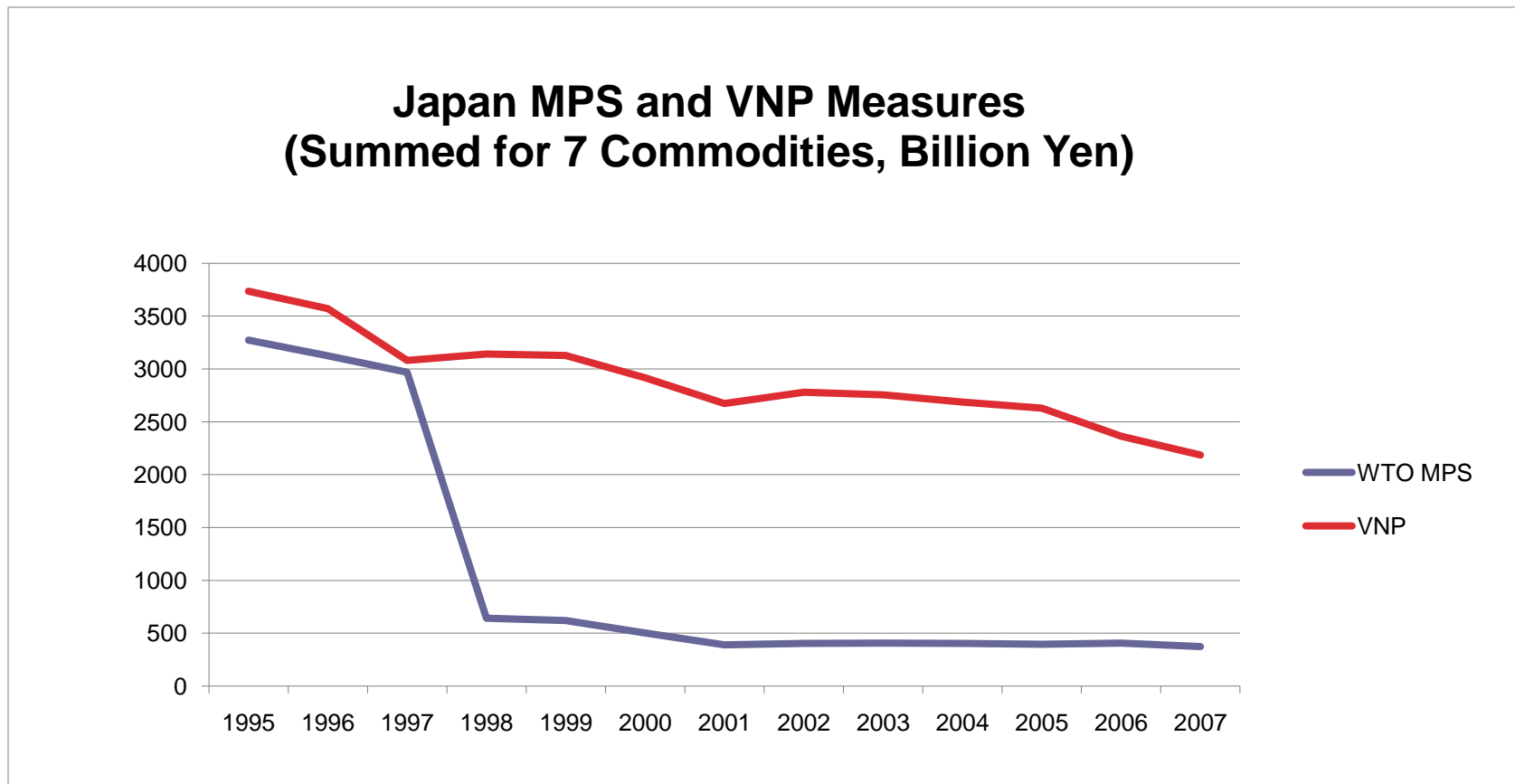
Source: Godo and Diego (IFPRI study) based on WTO notifications and December 2008 draft modalities

Japan: OTDS Compared to Doha Binding



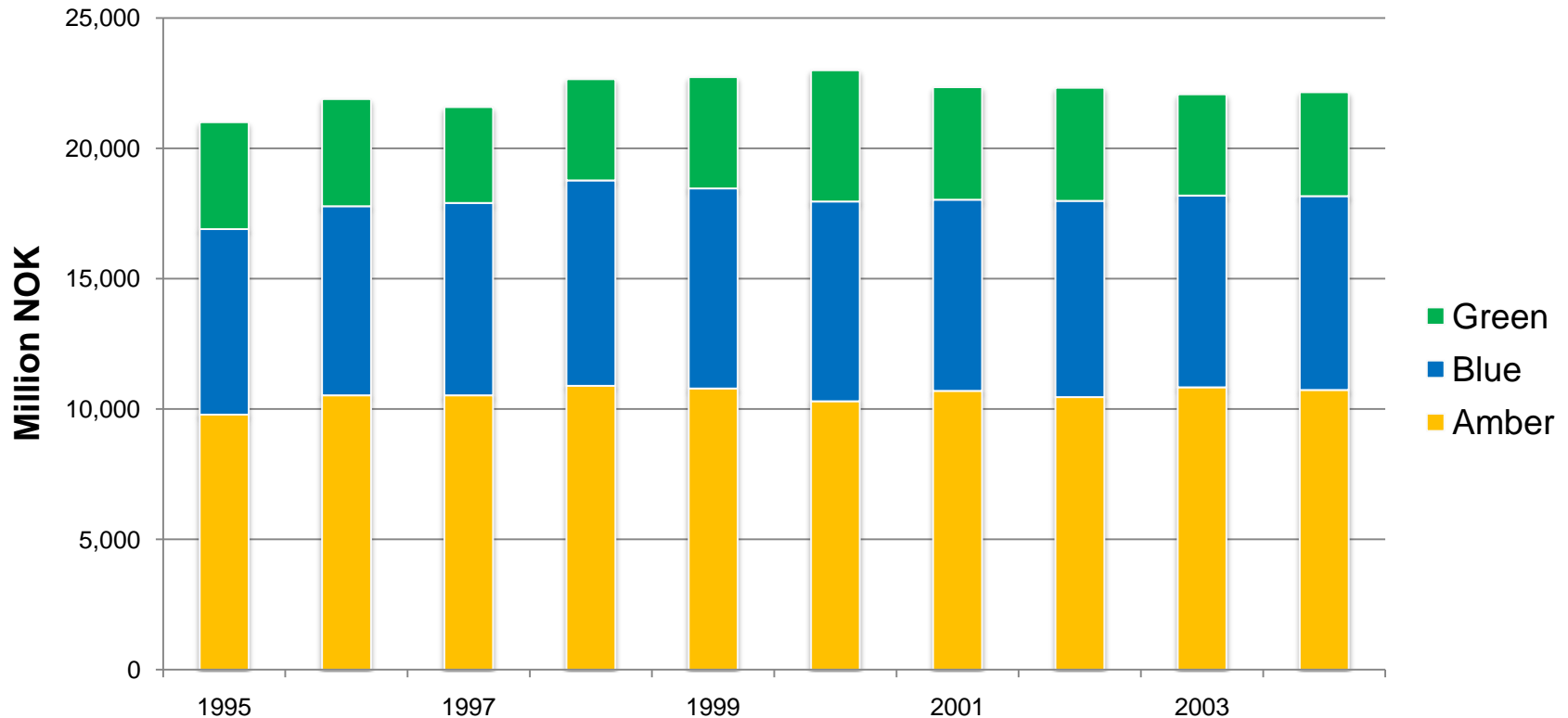
Source: Godo and Diego (IFPRI study) based on WTO notifications and December 2008 draft modalities

Japan: MPS and Value of Nominal Protection



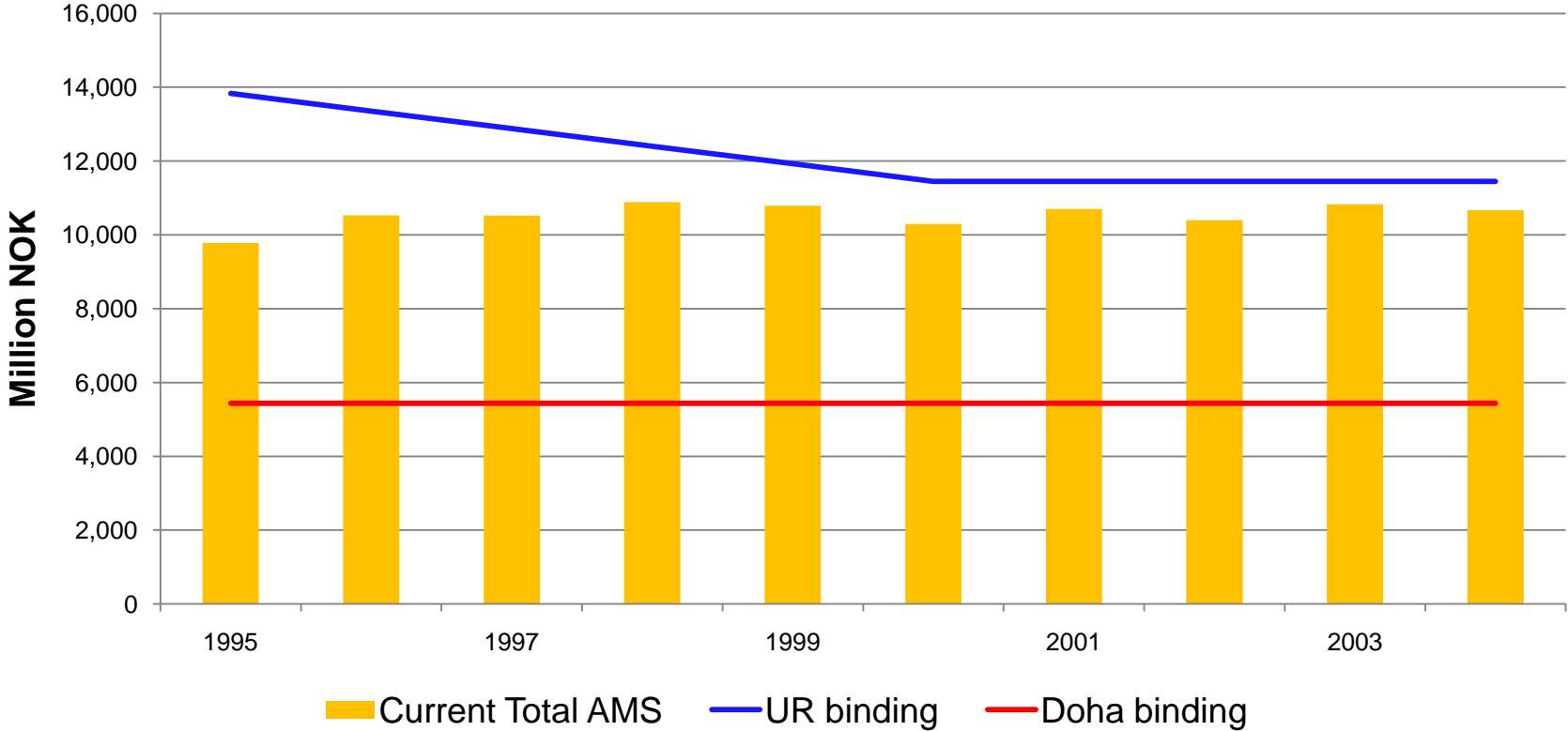
Source: Josling (IFPRI Study) based on WTO notifications and OECD data

Norway: Domestic Support, 1995-2004



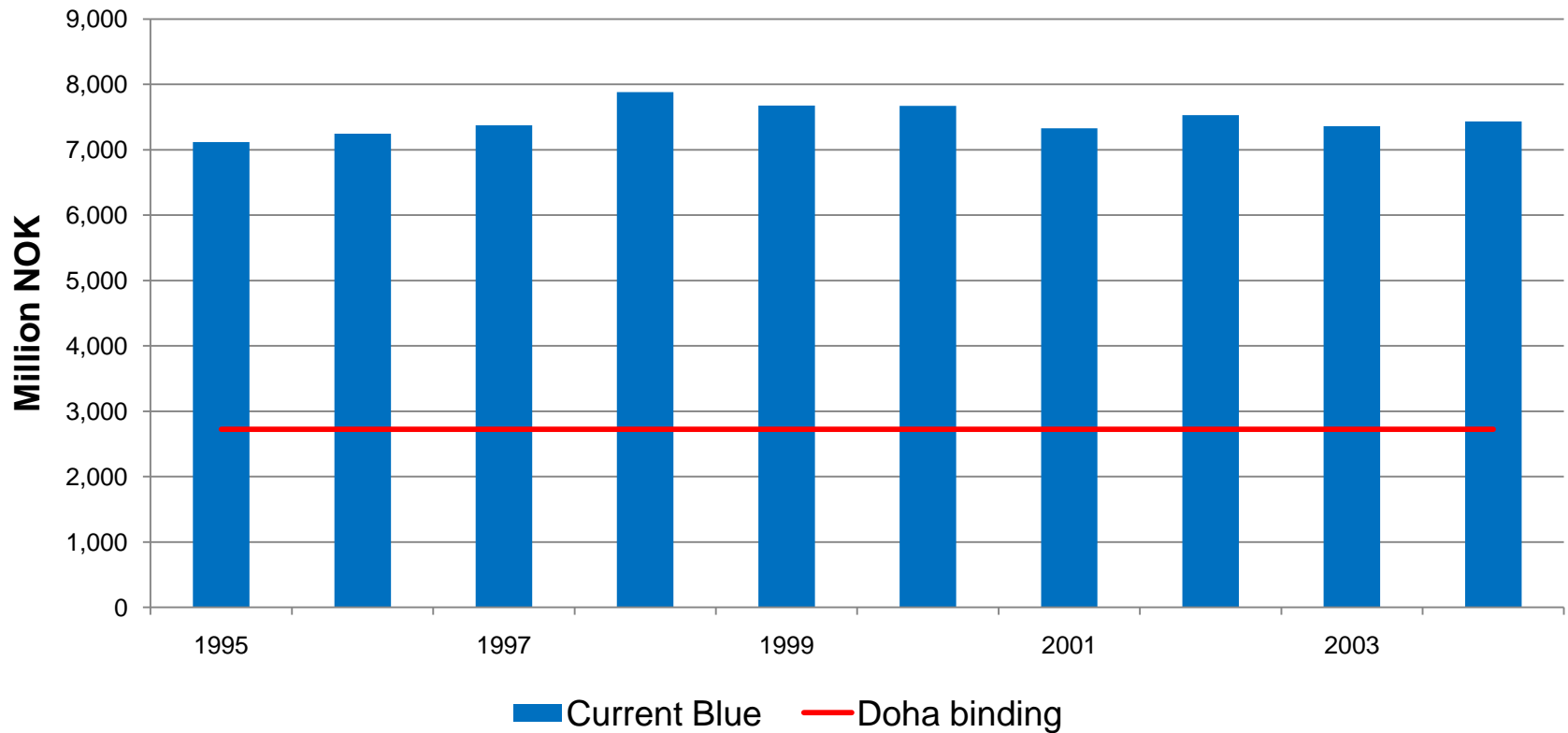
Source: Gaasland, Garcia and Vårdal (IFPRI Study) based on WTO notifications

Norway: AMS Compared to WTO Bindings



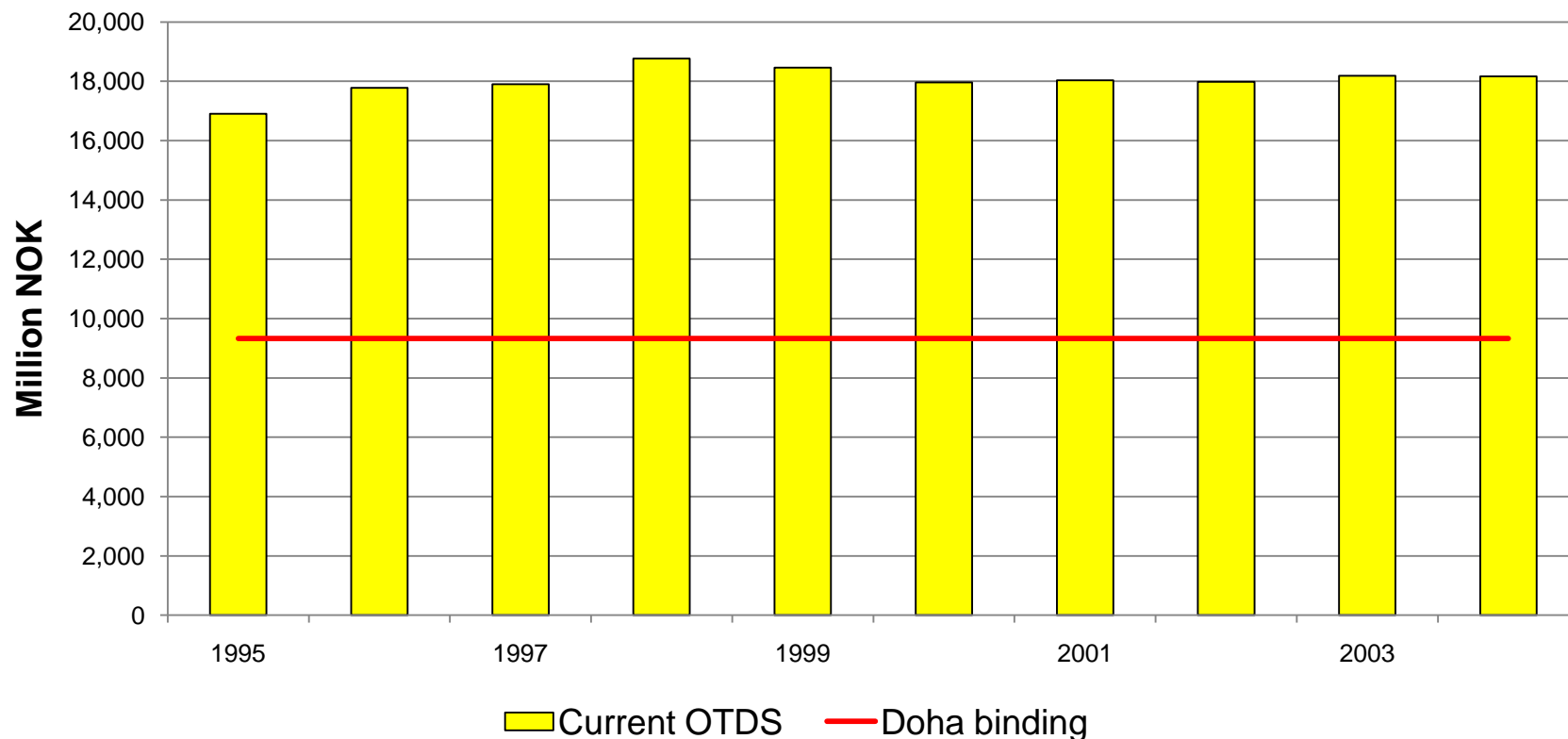
Source: Gaasland, Garcia and Vårdal (IFPRI Study) based on WTO notifications and December 2008 draft modalities

Norway: Blue Box Compared to Doha Binding



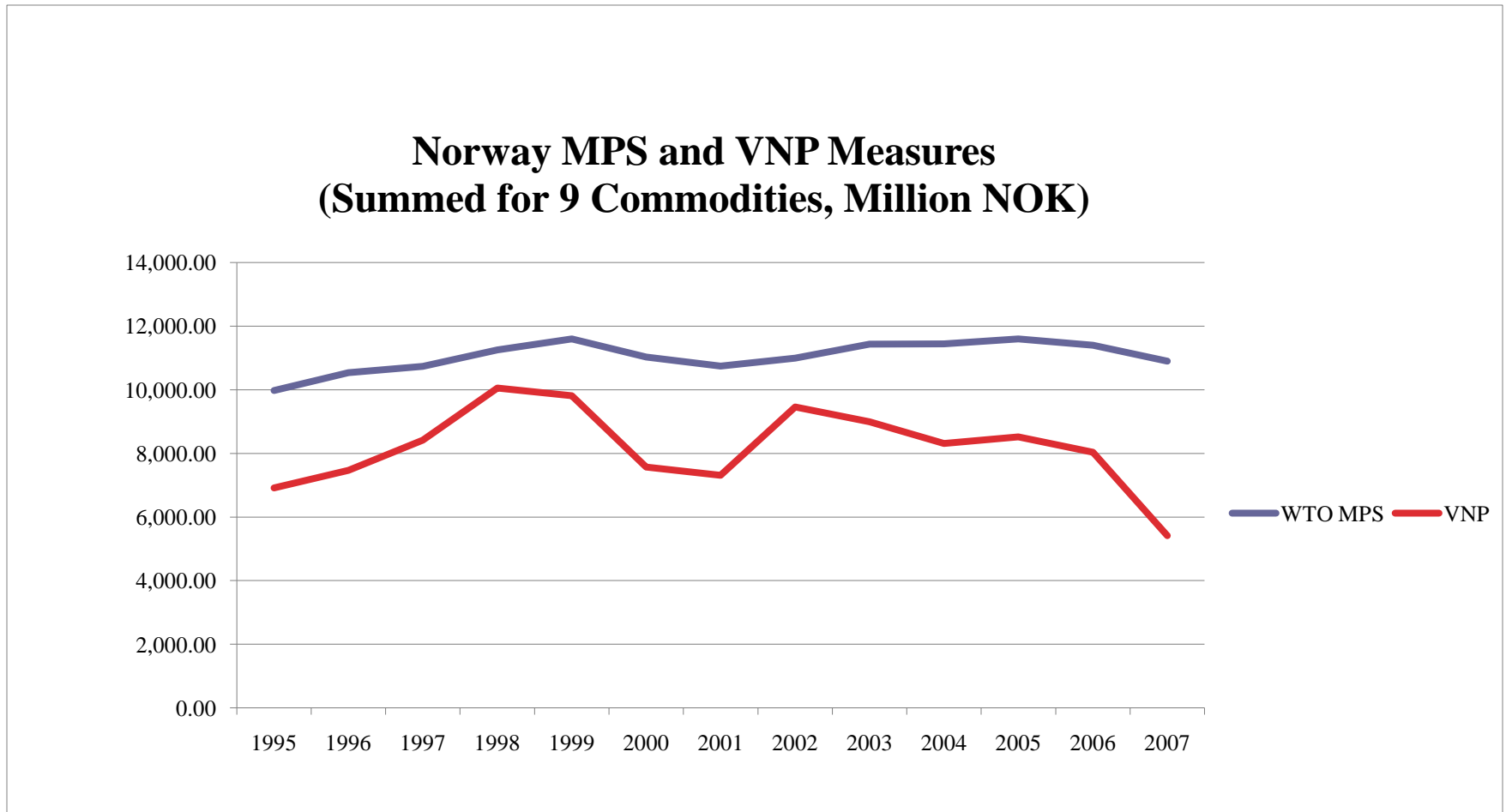
Source: Gaasland, Garcia and Vårdal (IFPRI Study) based on WTO notifications and December 2008 draft modalities

Norway: OTDS Compared to Doha Binding



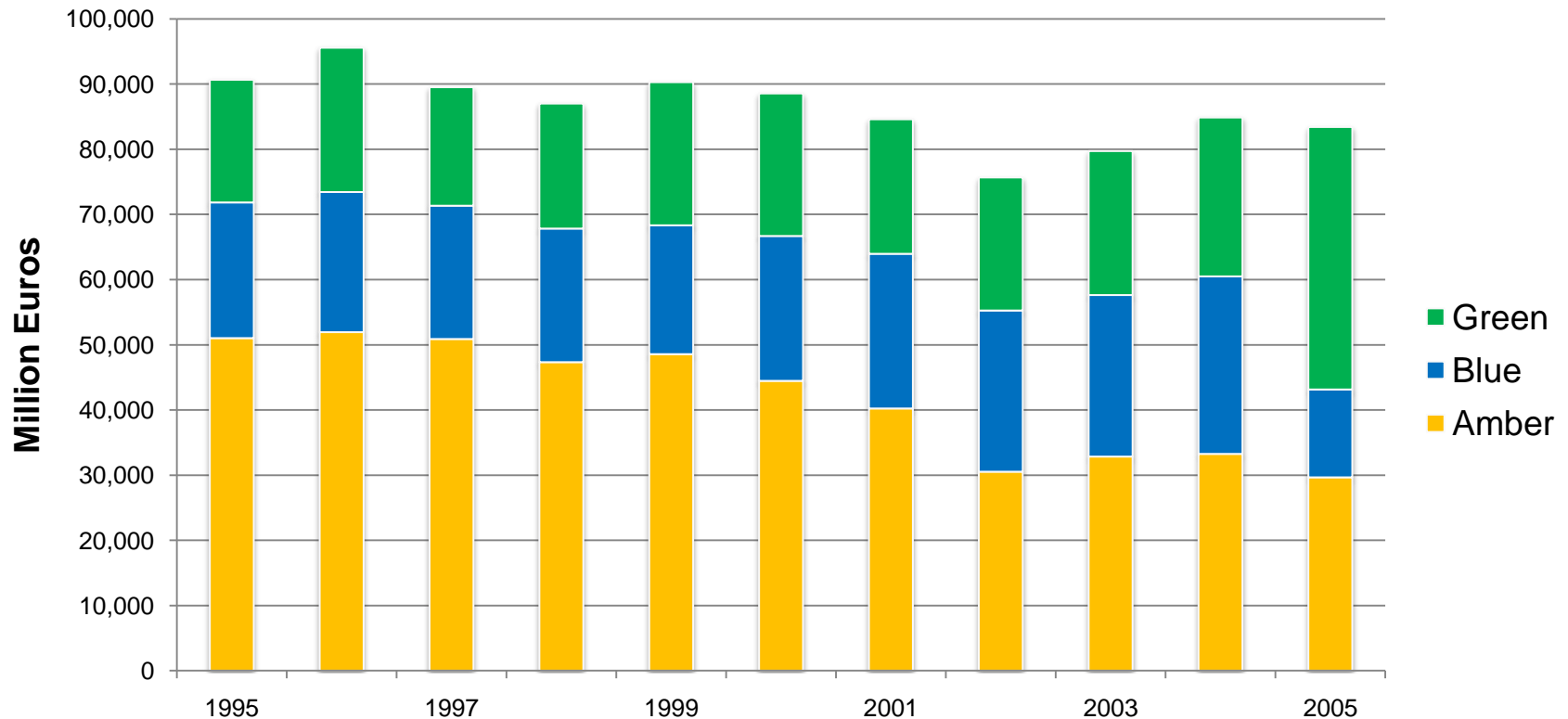
Source: Gaasland, Garcia and Vårdal (IFPRI Study) based on WTO notifications and December 2008 draft modalities

Norway: MPS and Value of Nominal Protection



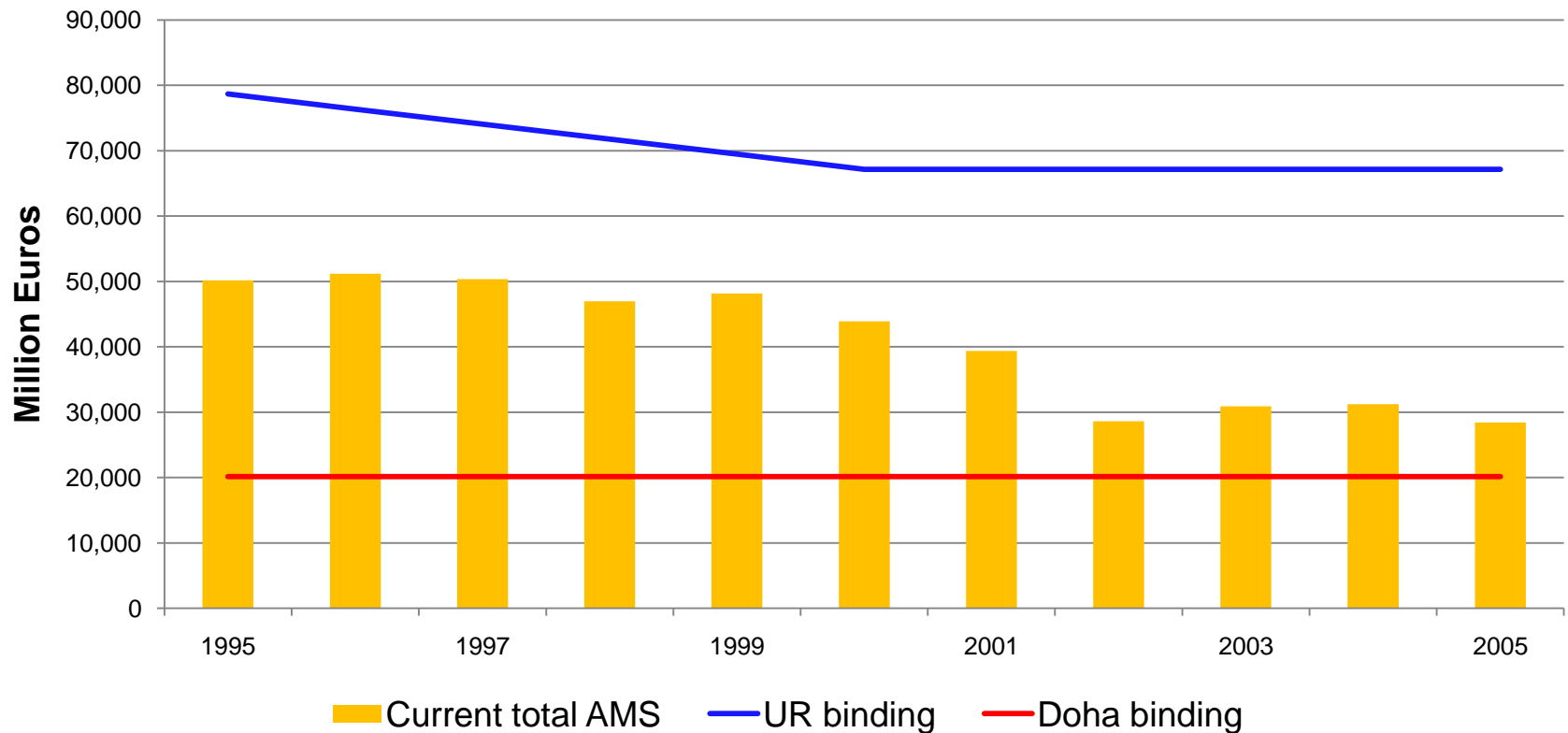
Source: Josling (IFPRI Study) based on WTO notifications and OECD data

EU15/25: Domestic Support, 1995-2005



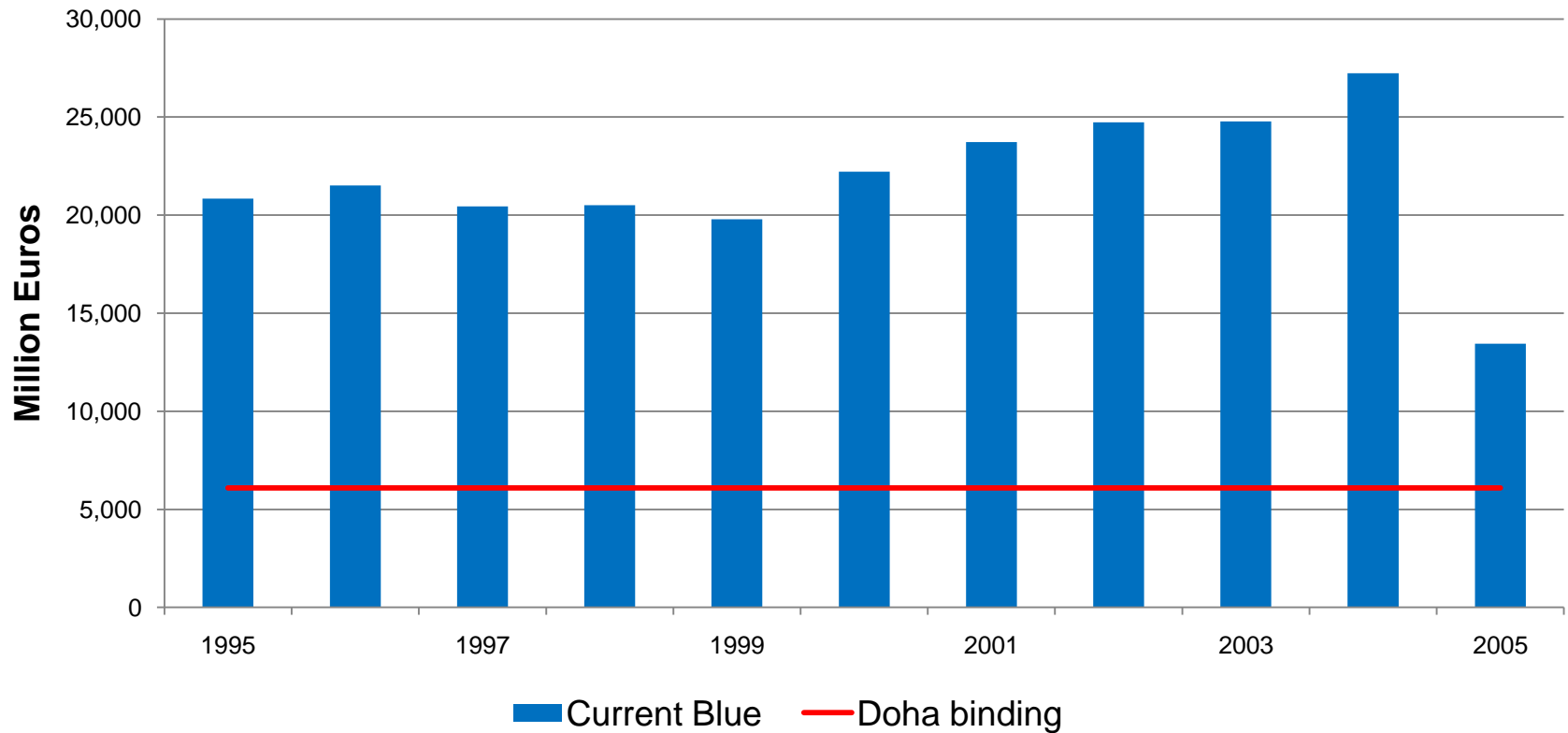
Source: Josling and Swinbank (IFPRI Study) based on WTO notifications

EU15/25: AMS Compared to WTO Bindings



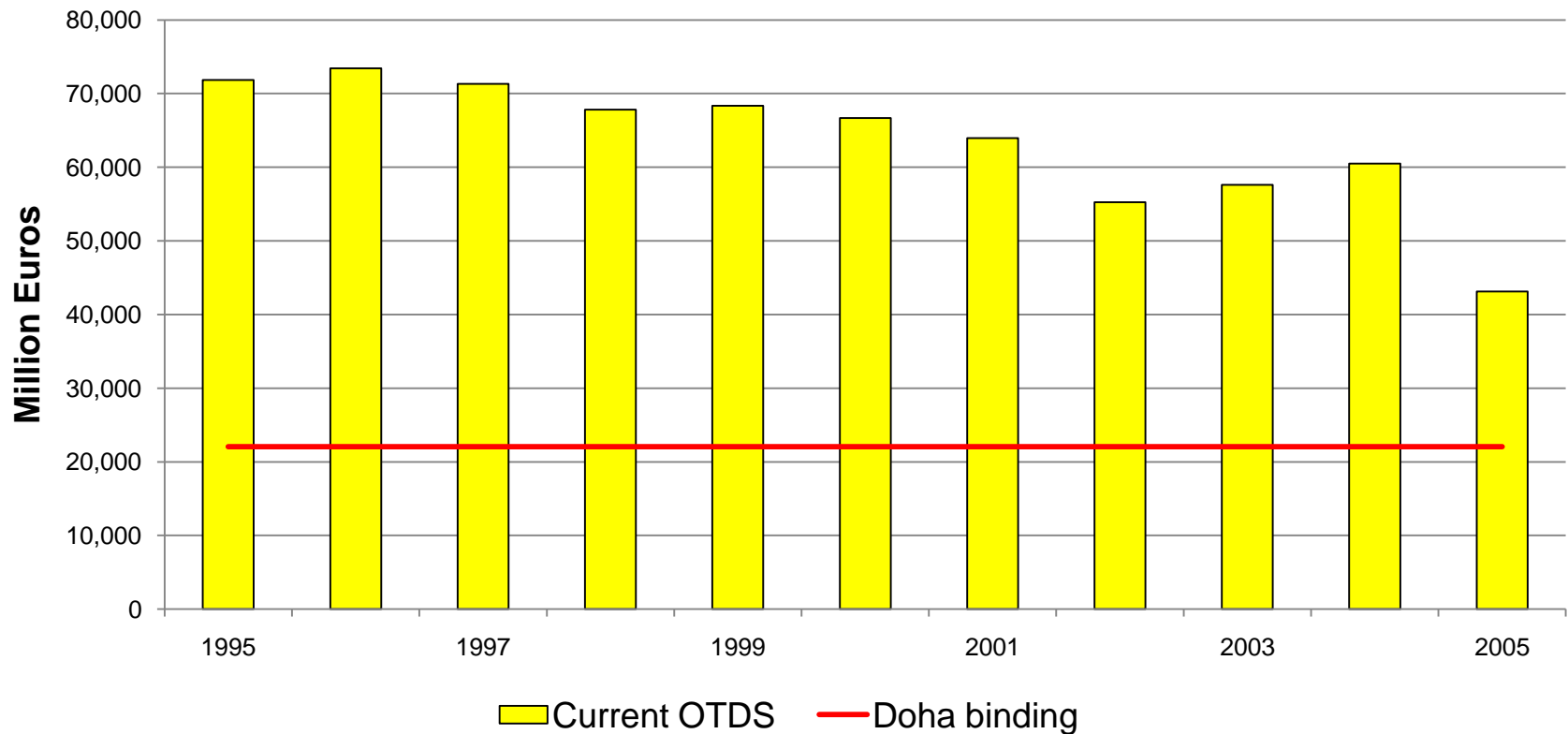
Source: Josling and Swinbank (IFPRI Study) based on WTO notifications and December 2008 draft modalities

EU15/25: Blue Box Compared to Doha Binding



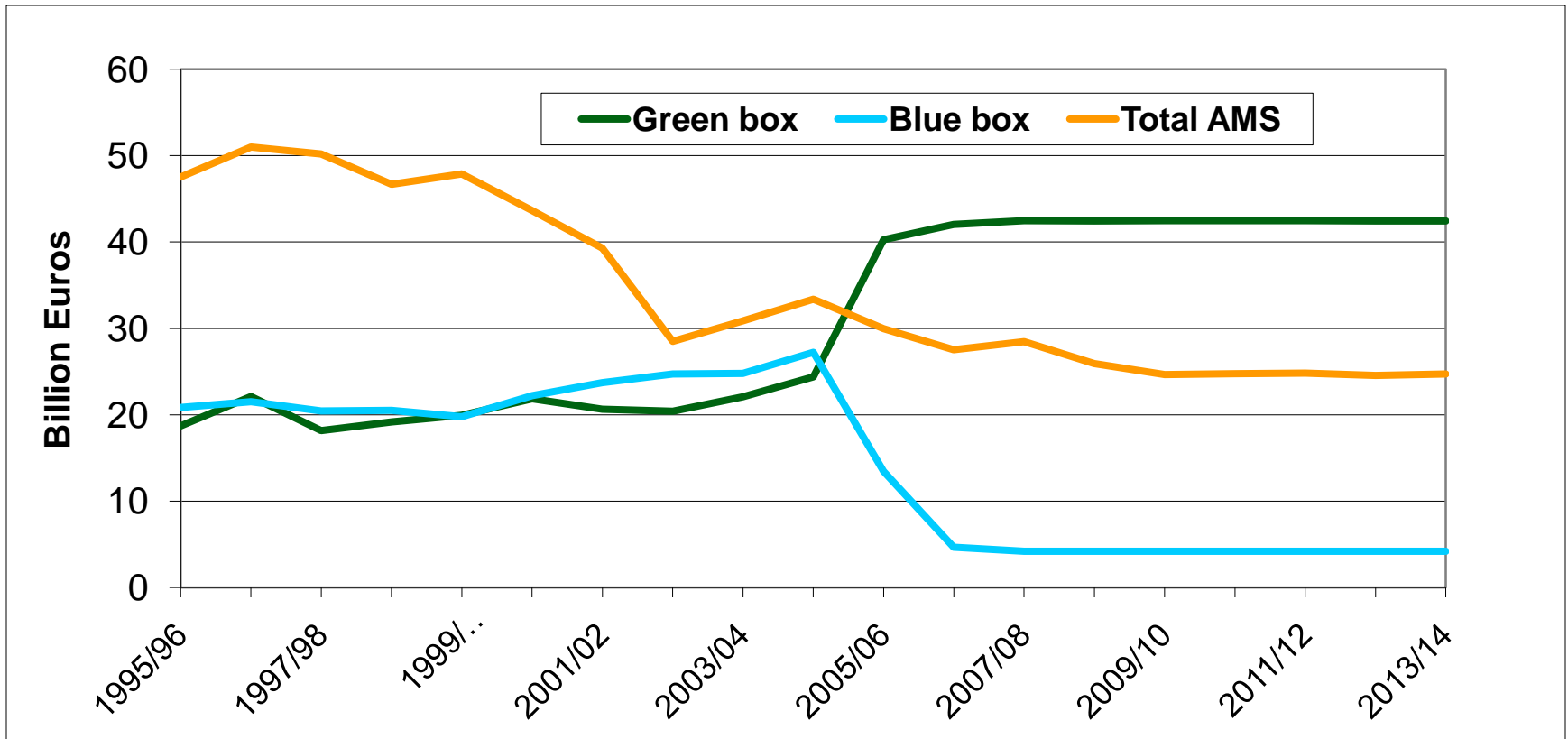
Source: Josling and Swinbank (IFPRI Study) based on WTO notifications and December 2008 draft modalities

EU15/25: OTDS Compared to Doha Binding



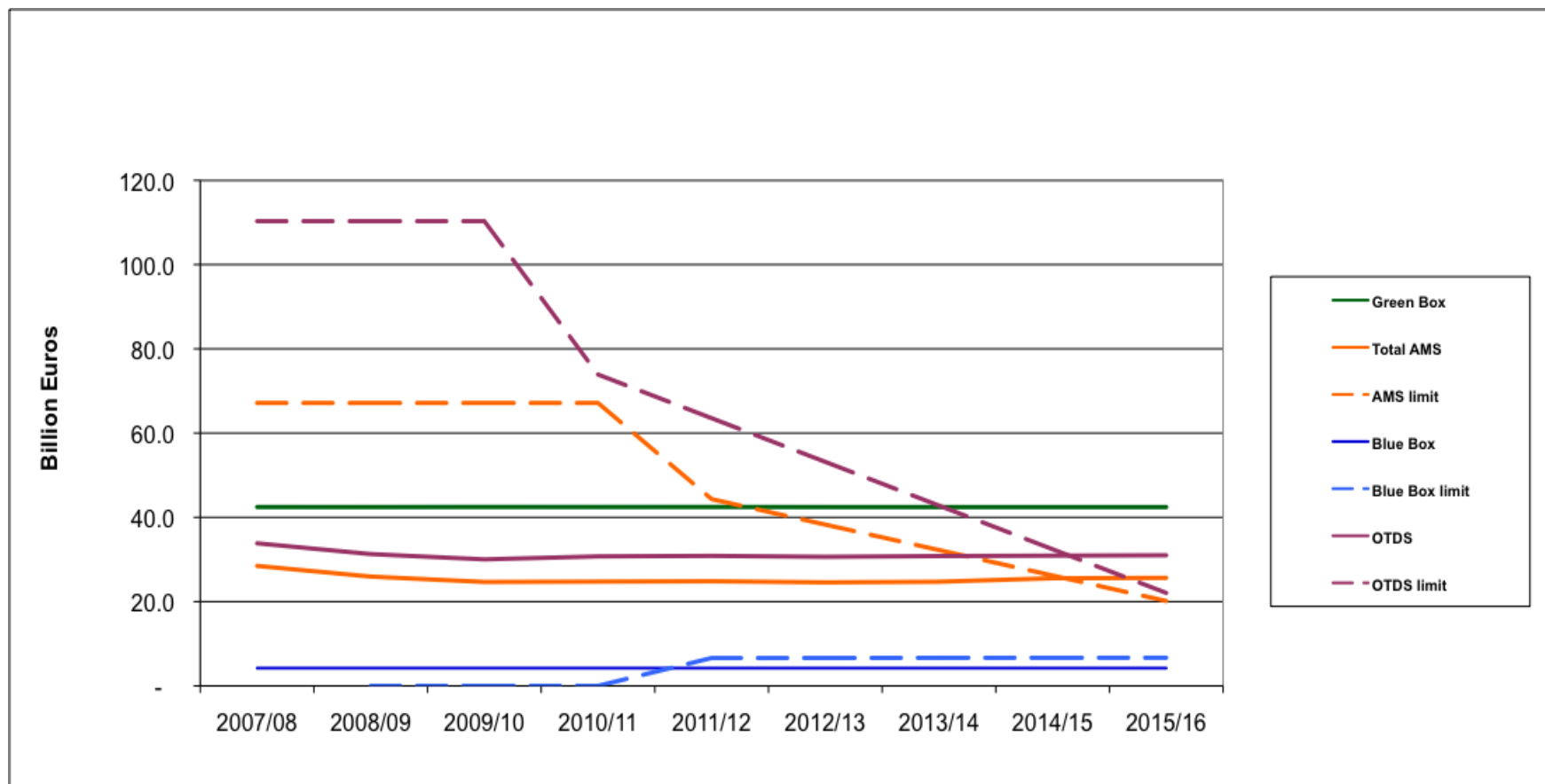
Source: Josling and Swinbank (IFPRI Study) based on WTO notifications and December 2008 draft modalities

EU15/27: Domestic Support with Projections



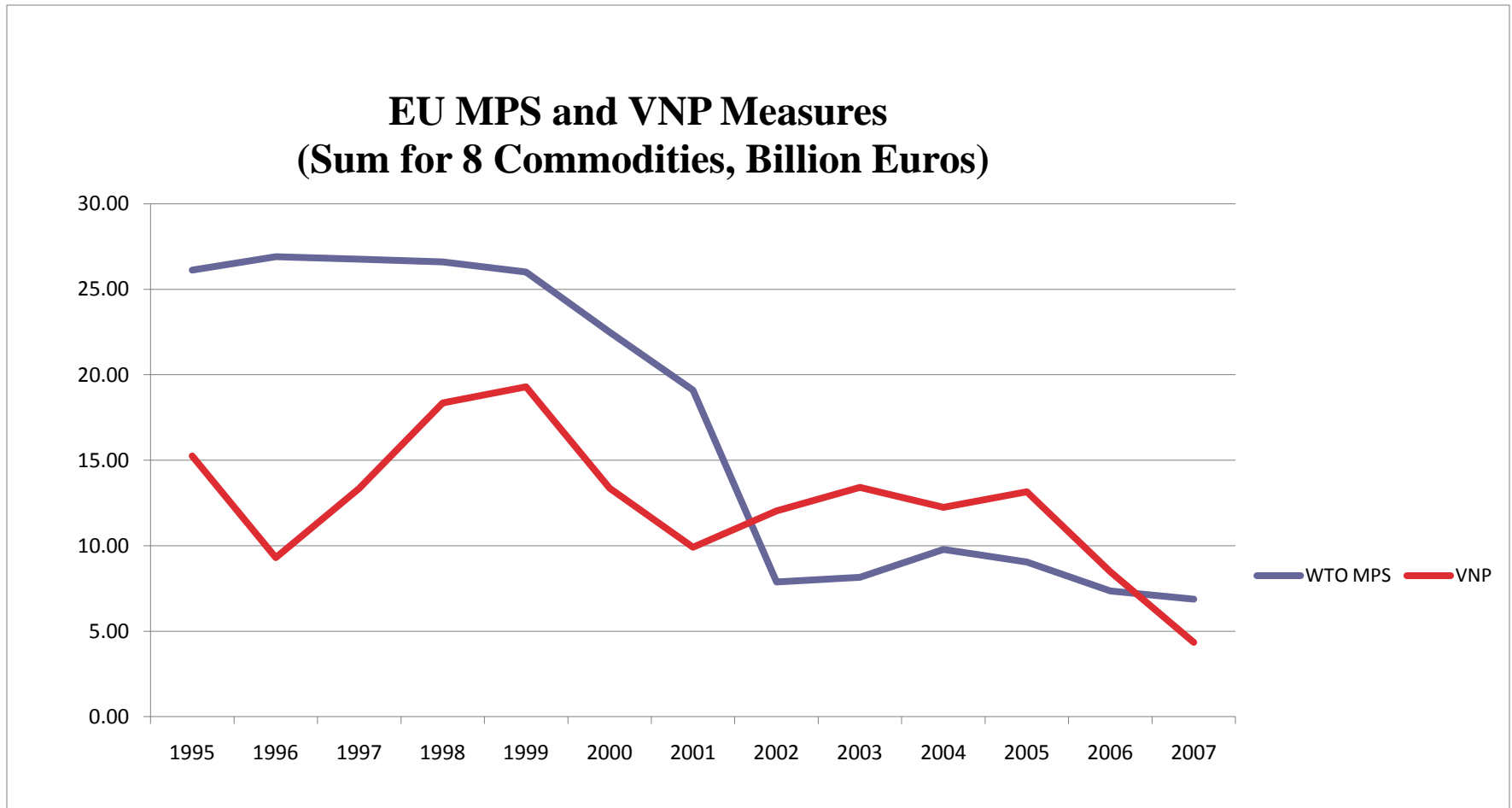
Source: Josling and Swinbank (IFPRI Study) based on WTO notifications and OECD data

EU15/27: Projections and Doha Constraints



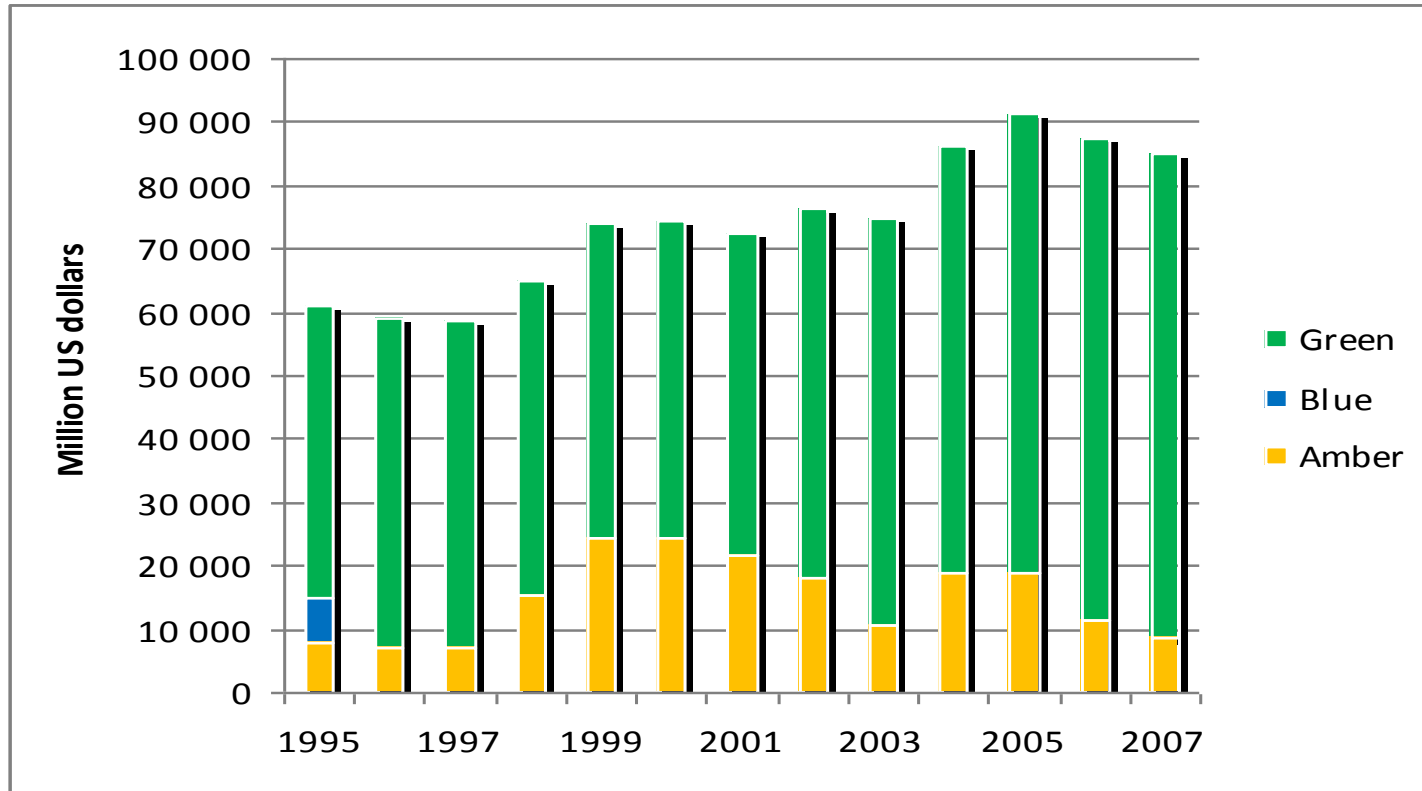
Source: Josling and Swinbank (IFPRI Study)

EU15/27: MPS and Value of Nominal Protection



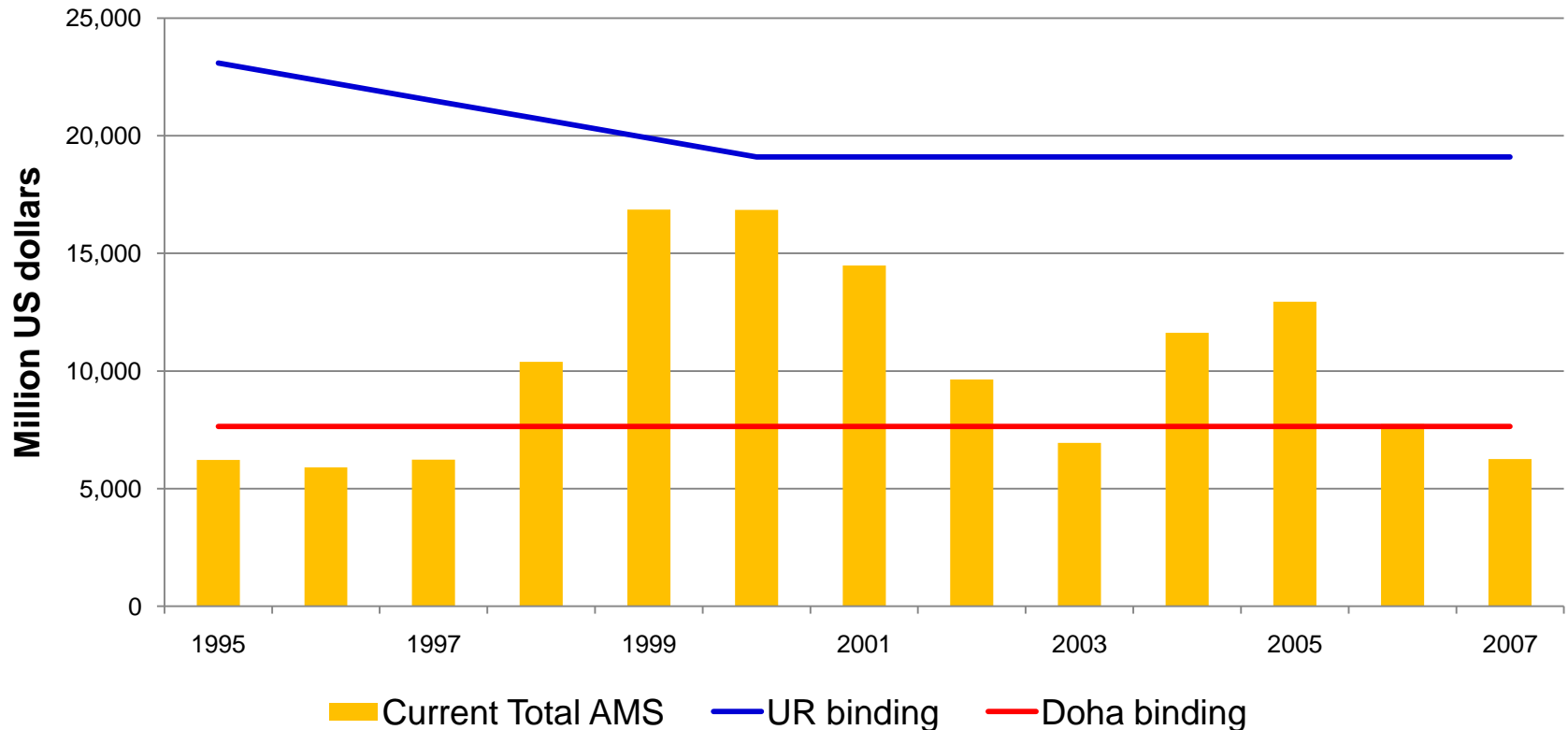
Source: Josling (IFPRI Study) based on WTO notifications and OECD data

US: Domestic Support, 1995-2007



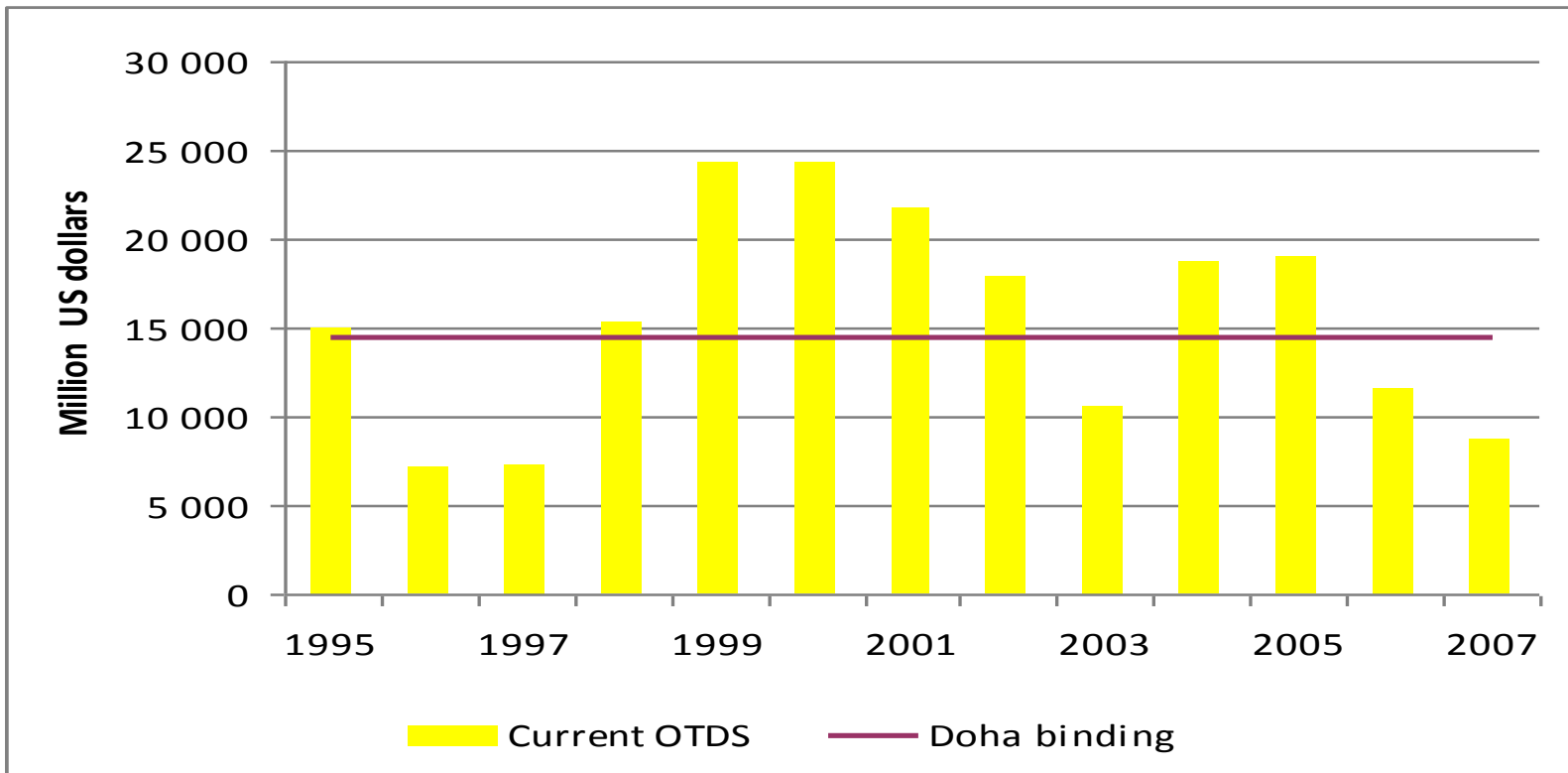
Source: Blandford and Orden (IFPRI Study) based on WTO notifications

US: AMS Compared to WTO Bindings



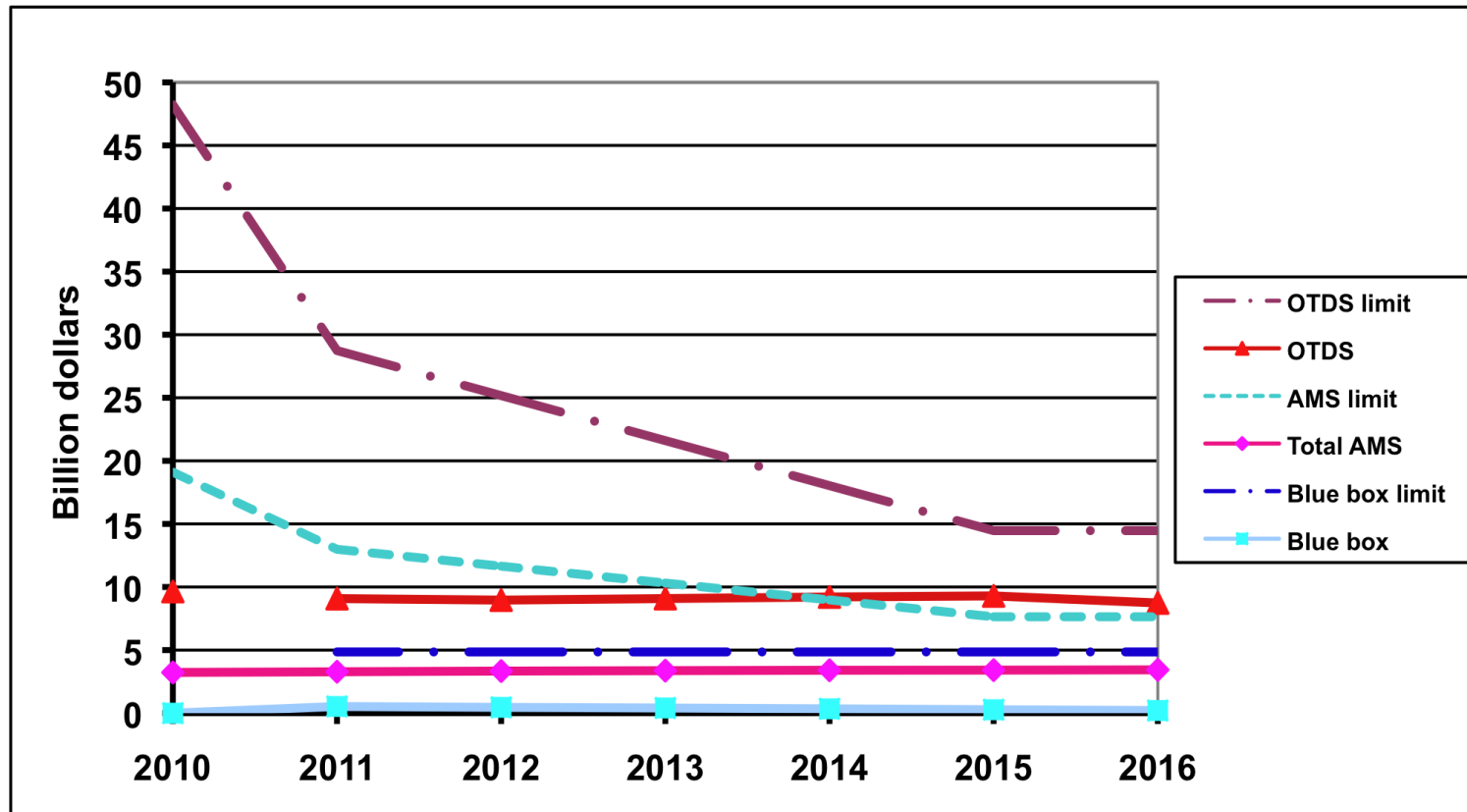
Source: Blandford and Orden (IFPRI Study) based on WTO notifications and December 2008 draft modalities

US: OTDS Compared to Doha Binding



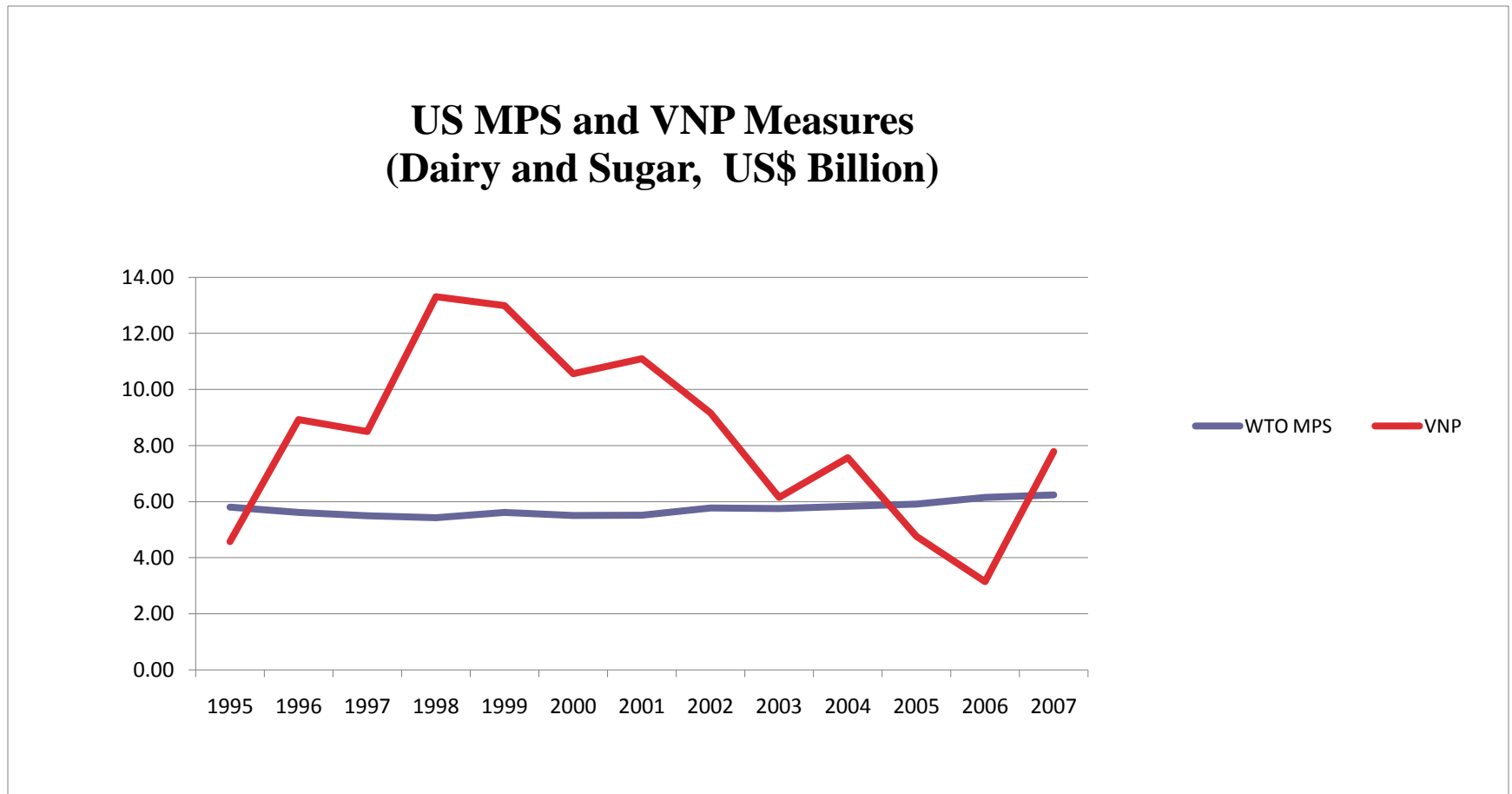
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US: Projections and Doha Constraints



Source: Blandford and Orden (IFPRI Study)

US: MPS and Value of Nominal Protection



Source: Josling (IFPRI Study) based on WTO notifications and OECD data