

EU's agricultural policy in the WTO context

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Structure of the presentation

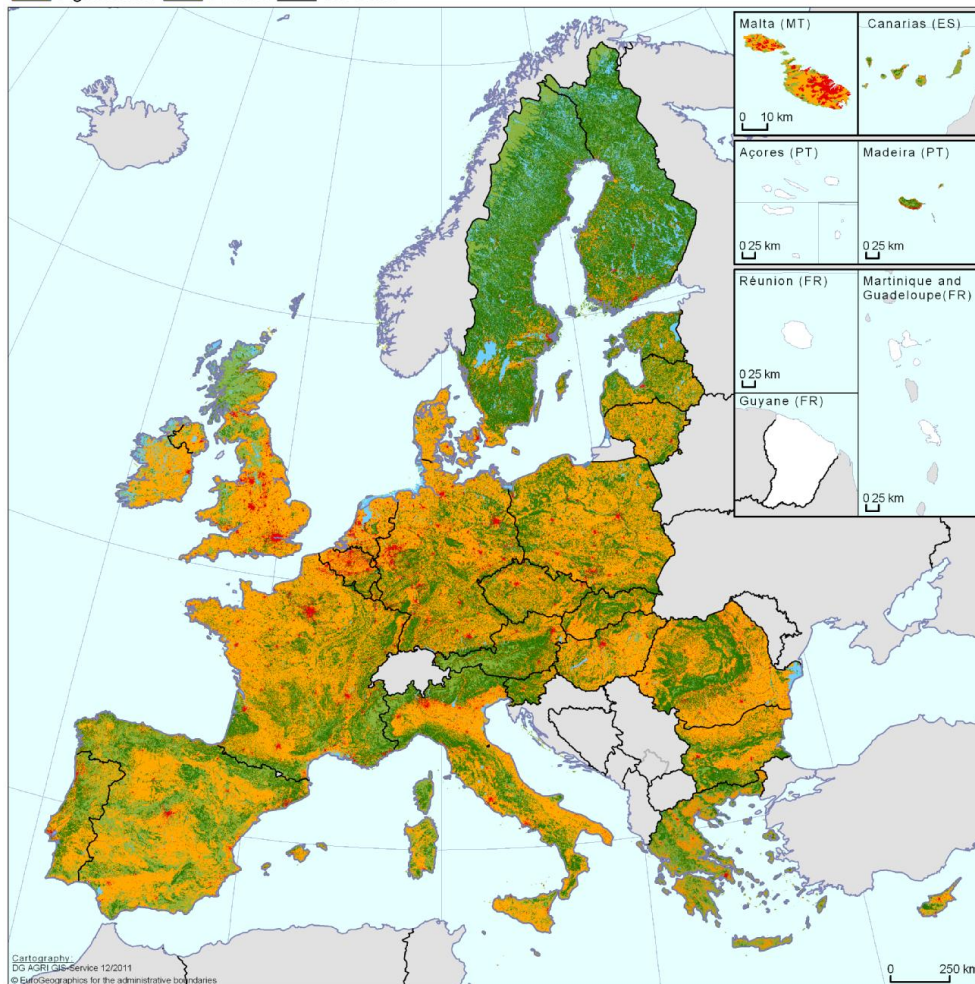
1. EU's agriculture and the Common Agricultural Policy (CAP)
2. Transparency in the WTO :
 - *Notifications of support to agriculture*
 - *Review process in the Committee on Agriculture in Geneva*



1. EU's agriculture and the Common Agricultural Policy (CAP)

Importance of agriculture in the EU

Land cover classes



- 27 EU Member States
- 500 million people
- 13.7 million farms (70% with less than 5 ha)
- Agriculture covers 50% of EU's land area
- 17% of world's agricultural trade
- Agrifood sector:
 - 17.5 million employees (7.7% of total employment)
 - 6% of EU GDP

Historical development of the CAP

Productivity →

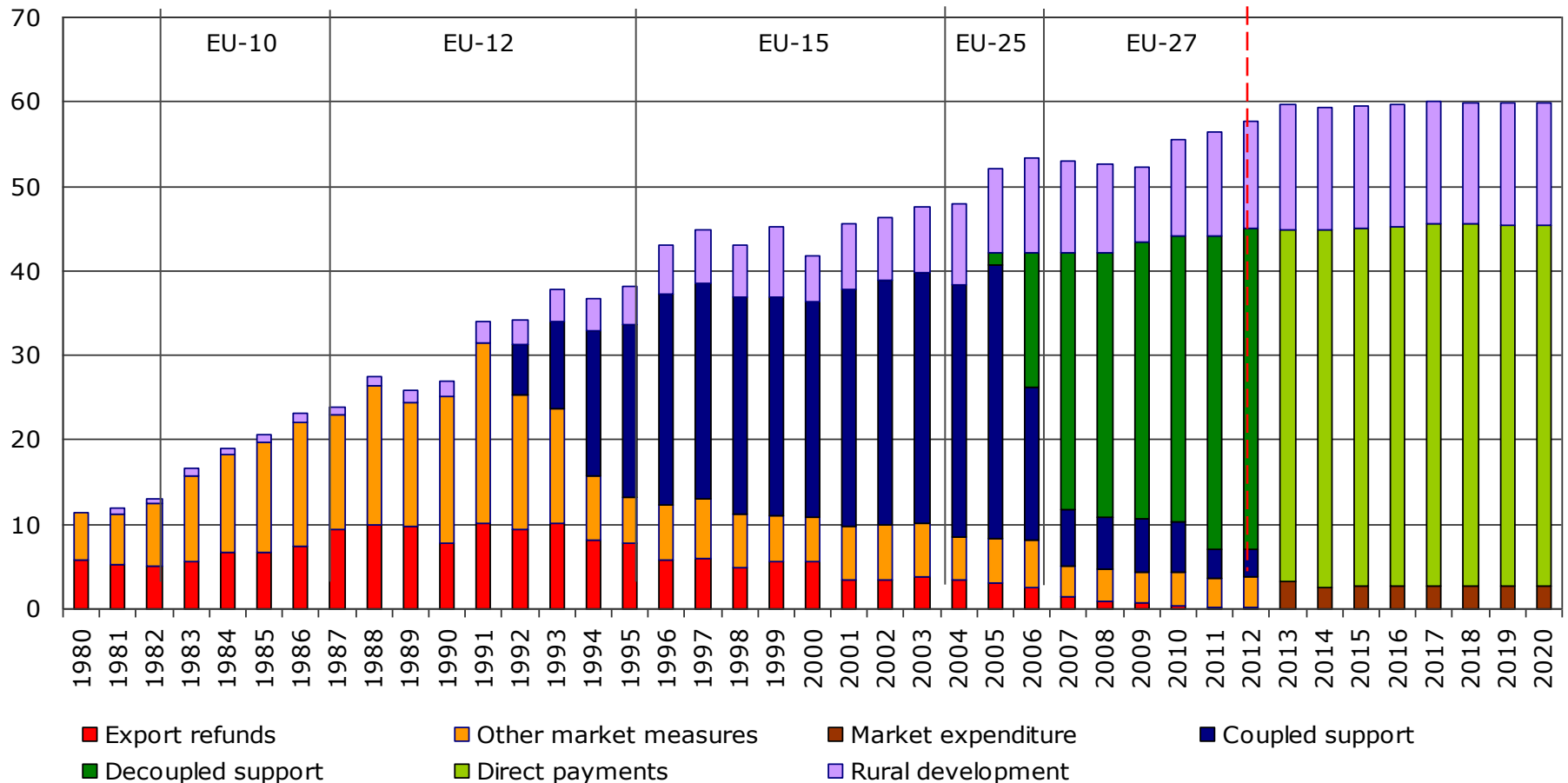
Competitiveness →

Sustainability →

The Early Years	The Crisis Years	The 1992 Reform	Agenda 2000	CAP reform 2003	CAP Health Check 2008
<p>Food security</p> <p>Improving productivity</p> <p>Market-stabilisation</p> <p>Product support</p>	<p>Over production</p> <p>Exploding expenditure</p> <p>International friction</p> <p>Structural measures</p>	<p>Reduce surpluses</p> <p>Cuts in intervention prices</p> <p>Income and budget stabilisation</p> <p>Move to producer support</p> <p>Environment</p>	<p>Further cuts in intervention prices</p> <p>Direct payments</p> <p>Income stabilisation</p> <p>Competitiveness</p> <p>Rural development</p>	<p>Market orientation</p> <p>Decoupled direct payments</p> <p>Cross-compliance</p> <p>Consumer concerns</p> <p>Rural Development</p> <p>Environment</p>	<p>Further decoupling</p> <p>Market management - safety net</p> <p>Risk management</p> <p>Targeting of support</p> <p>Rural Development</p>

The path of CAP expenditure 1980-2020

billion EUR (current prices)



Source: DG Agriculture and Rural Development.



2. Transparency in the WTO

Transparency provisions in article 18 of the AoA

- *Progress in the implementation of commitments negotiated under the Uruguay Round reform programme shall be reviewed by the Committee on Agriculture.*
- *The review shall be undertaken on the basis of notifications submitted by Members...*

Notification requirements and formats G/AG/2, June 1995

Market access :

- Tariff and other quotas (MA:1 and MA:2)
- Special safeguard provisions (MA:3 to MA:5)

Domestic support :

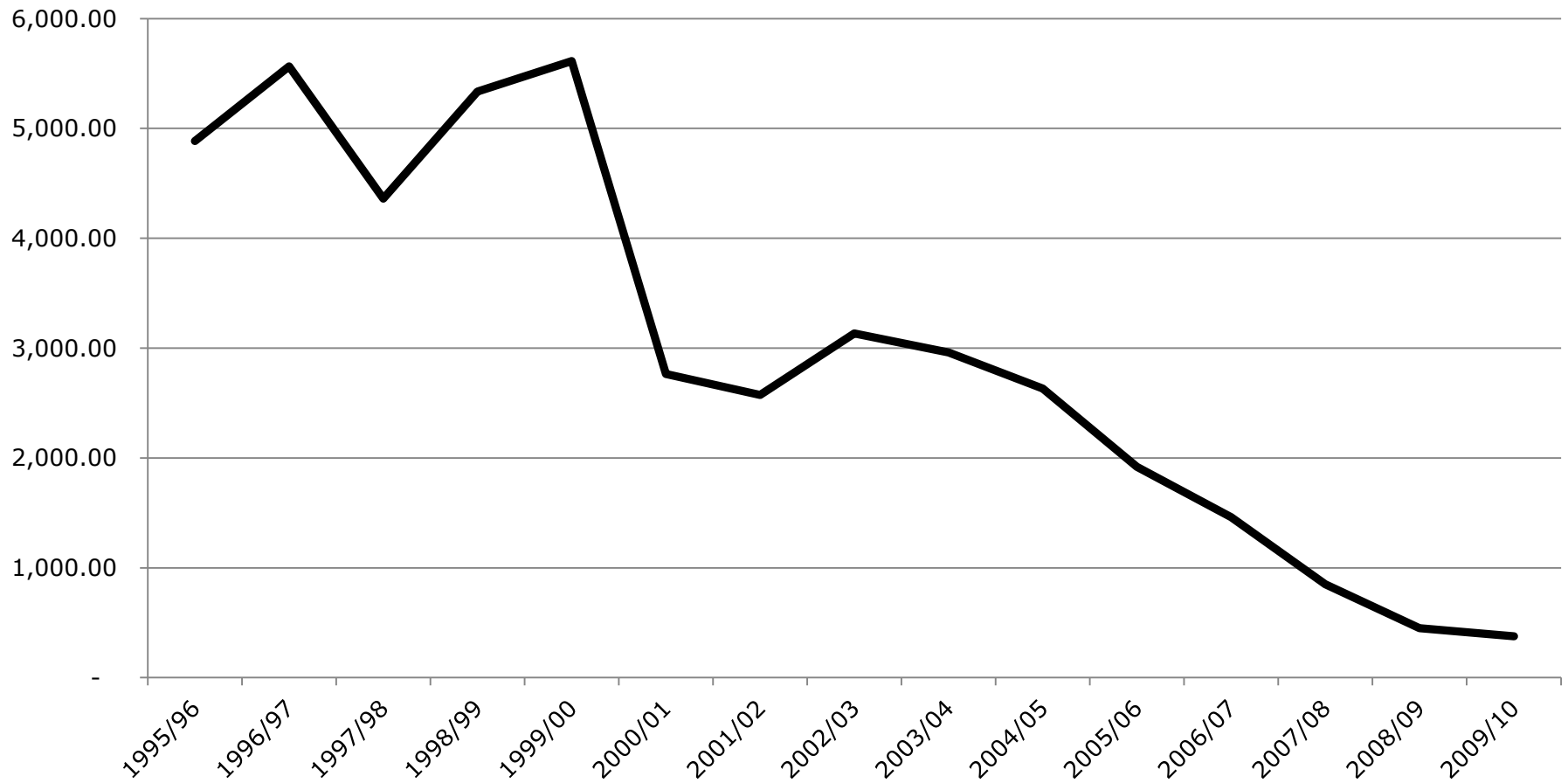
- Current total AMS (DS:1)
- New or modified exempt measures (DS:2)

Export subsidies (ES:1 to ES:3)

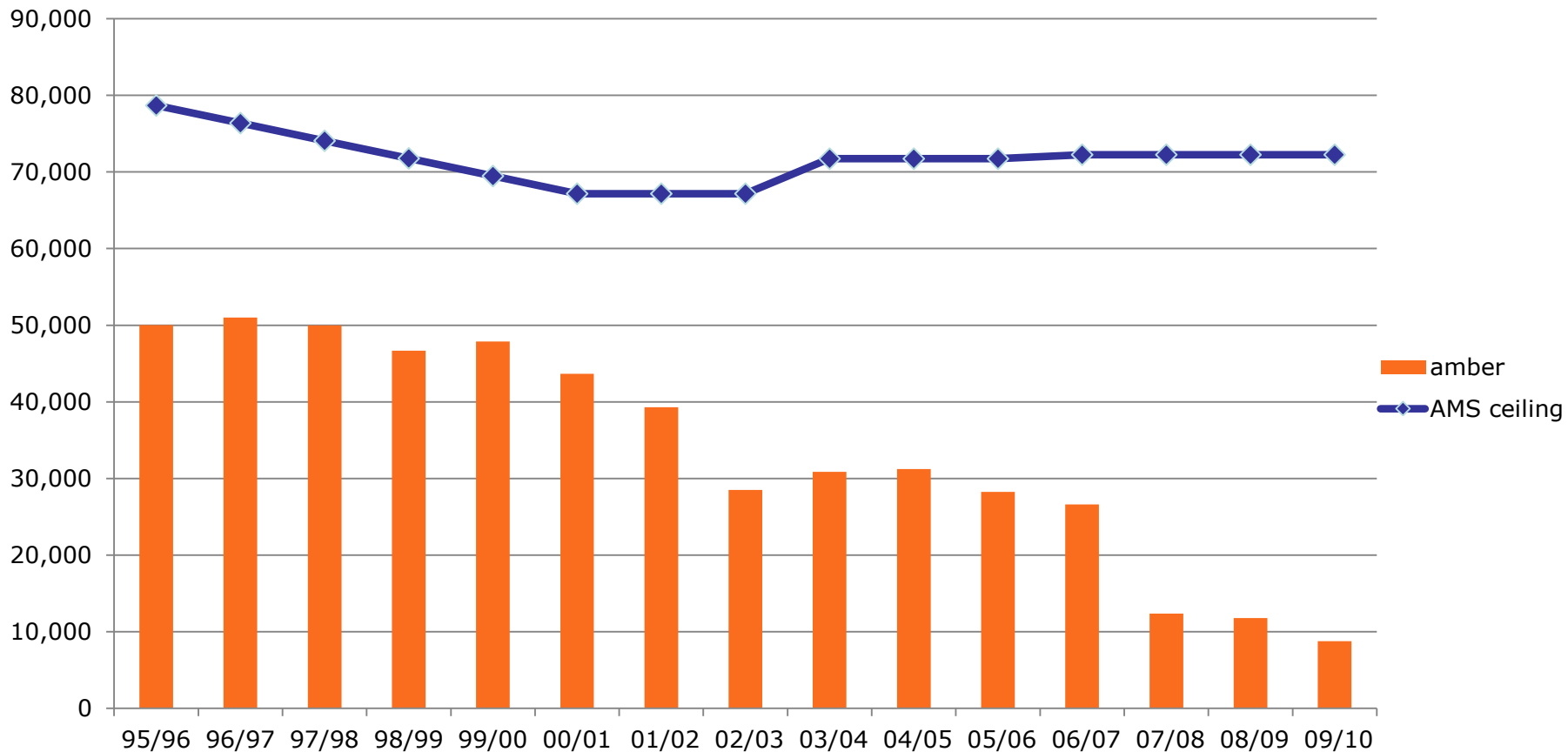
Export prohibitions and restrictions (ER:1)

Follow-up to Marrakesh Decision on NFIDCs (NF:1)

EU export subsidies notified (mIn EUR)



EU domestic support notified (mIn EUR)



The Regular Committee on Agriculture

- G/AG/1, March 1995 'Organisation of work and working procedures of the Committee on Agriculture'
- Regular ≠ Special Session

Part I : Review process

- questions on notifications
- matters relevant to the implementation of commitments under Article 18.6

Part II : Other matters within the purview of the Committee

The Regular Committee on Agriculture

- Legal role - key in overseeing Members' compliance with commitments
- Forum to raise concerns about developments in Members' agricultural policies – scrutiny among WTO Members
- Meeting reports and Q&A available on WTO website - public scrutiny
- Understanding each other's policies necessary for trust among Members
- Transparency is crucial
- Effective work of the Committee is in the interest of all WTO Members

The Regular Committee on Agriculture

- Notifications and meetings reports

http://www.wto.org/english/tratop_e/agric_e/ag_work_e.htm

- Members transparency toolkit

http://www.wto.org/english/tratop_e/agric_e/transparency_toolkit_e.htm

- Workshops on agricultural notifications



**Thank you for your
attention.**