

## WORKING DOCUMENT No. 4

### EXPORT COMPETITION

#### General

137. Nothing in these modalities on export competition can be construed to give any Member the right to provide, directly or indirectly, export subsidies in excess of the commitments specified in Members' Uruguay Round Agreement on Agriculture (URAA) Schedules, or to otherwise detract from the obligations of Article 8 of that Agreement. Furthermore, nothing can be construed to imply any change to the obligations and rights under Article 10.1 or to diminish in any way existing obligations under other provisions of the Uruguay Round Agreement on Agriculture or other WTO Agreements.

#### Scheduled Export Subsidy Commitments

138. Developed country Members shall eliminate their remaining scheduled URAA export subsidy entitlements by the end of 2013. This will be on the basis of budgetary outlay commitments being reduced by 50 per cent by end 2010 with the remaining budgetary outlay commitments being eliminated in equal annual instalments so that all forms of export subsidies are eliminated by the end of 2013.

139. Quantity commitment levels will [be reduced in equal annual instalments from the applicable Uruguay Round commitment levels][apply as a standstill from the commencement until the end of the implementation period at the lower of either the then current actual applied quantity levels or the Uruguay bound levels reduced by 20 per cent].

140. Developing country Members shall eliminate their export subsidy entitlements in equal annual instalments [in accordance with the provisions of Article 15.2] [by 2016].

141. In accordance with the Hong Kong Ministerial Declaration, developing country Members will, furthermore, continue to benefit from the provisions of Article 9.4 of the Agreement on Agriculture for five years after the end-date for elimination of all forms of export subsidies.

#### Export Credits, Export Credit Guarantees or Insurance Programmes

142. Export credit, export credit guarantees or insurance programmes shall comply with the provisions set out in Annex D [, net of paragraphs 3 (b) and 5(b)<sup>1</sup>].

143. The disciplines set out in Annex D, shall apply from the first day of the implementation period of the Doha Round for developed country Members and the maximum repayment term shall be phased in according to the following schedule for developed and developing Members respectively [ ].

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<sup>1</sup> As regards the programmes referred to in those sub-paragraphs, they shall be, subject to the exception provided in the last sentence below, unreservedly subject to the existing provisions of the Uruguay Round Agreement on Agriculture and other WTO Agreements, it being understood that, to the extent that these programmes are programmes provided under items (j) and (k) of the illustrative list of export subsidies under the Agreement on Subsidies and Countervailing Measures (SCM), the determination of the existence of a non-conforming export subsidy shall be, as is provided for in Articles 1 and 3.1 of the SCM, inclusive of both cost to government and conferral of a benefit. It is further understood that the second paragraph of item (k) of the illustrative list shall not be applicable in the case of agricultural products.

**Agricultural Exporting State Trading Enterprises**

144. Agricultural exporting state trading enterprises shall comply with the provisions of Annex E.

**International Food Aid**

145. International food aid shall comply with the provisions of Annex F.

**Cotton**

146. Those export subsidies for cotton referred to in paragraph 137 above are prohibited. However, developing country Members which have any export subsidy entitlements referred to in that paragraph shall comply with this prohibition no later than the end of the first year of the implementation period.

147. To the extent that new disciplines and commitments for export credits, agricultural exporting state trading enterprises and international food aid create new and additional obligations for Members as regards cotton, any such obligations shall be implemented by the commencement of the implementation period for developed Members and by the end of the first year of the implementation period for developing Members.