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Limited Distribution

SUBSIDIES

Notifications Pursuant to Article XVI:1

- 1. In accordance with the Decision of the CONTRACTING PARTIES at the twentieth session (BISD, Eleventh Supplement, page 58), contracting parties should submit every third year, new and full responses to the questionnaire on subsidies contained on pages 193-194 of the Ninth Supplement (reproduced in the annex to this document). New and complete notifications should be submitted in <u>January 1975</u>. Subsequent notifications in 1976 and 1977 will cover changes to the basic notifications for 1975.
- 2. Responses to the request will be issued as addenda to this document.

ANNEX

Notification of Subsidics

Reports should be made in writing for individual commodities and under the headings listed below. A suggestion of the type of information which might be included under each heading is shown within brackets:

I. Nature and extent of the subsidy

- (a) Background and authority (The reason for the subsidy and the legislation under which it is granted.)
- (b) Incidence (Whether paid to producers, to exporters, or in some other way; whether a fixed amount per unit, or fluctuating; if the latter, how determined.)
- (c) Amount of subsidy (Total cost estimated or budgeted or, when this is not feasible, cost in preceding year.)
- (d) Estimated amount per unit.

II. Effect of subsidy

- (a) Estimated quantitative trade effects of the subsidy; and the reason why it is considered that the subsidy will have these effects.
- (b) Statistics of production, consumption, imports and exports:
 - (i) for the three most recent years for which statistics are available:
 - (ii) for a previous representative year, which, where possible and meaningful, should be the latest period preceding the introduction of the subsidy or preceding the last major change in the subsidy.