



Department
for Environment
Food & Rural Affairs

Concordat on the World Trade Organisation Agreement on Agriculture (Domestic Support) Regulations 2020

Date: November 2022

We are the Department for Environment, Food and Rural Affairs. We're responsible for improving and protecting the environment, growing the green economy, sustaining thriving rural communities and supporting our world-class food, farming and fishing industries.

We work closely with our 33 agencies and arm's length bodies on our ambition to make our air purer, our water cleaner, our land greener and our food more sustainable. Our mission is to restore and enhance the environment for the next generation, and to leave the environment in a better state than we found it.



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Contents

Concordat on the World Trade Organisation Agreement on Agriculture (Domestic Support) Regulations 2020.....	1
Explanatory note	5
Concordat on the World Trade Organisation Agreement on Agriculture (Domestic Support)	6
General principles	8
Communication and consultation	8
Co-operation	8
Exchange of information, statistics and research.....	9
Confidentiality	9
Limits on domestic support.....	10
The UK domestic support reserve	12
Classifying domestic support.....	14
Scope of the AoA	14
Giving notice of new or amended schemes	16
Like-for-like schemes	18
The UK co-ordinating body	19
The Policy Collaboration Group	19
Notification of UK domestic support to the WTO	23
Ds:2 notifications.....	23
Terminology	23
Agreed principles	25

Data required.....	26
Process.....	26
DS:1 notifications.....	27
Agreed principles.....	27
Agreed process.....	29
Data required.....	31
Role of UK coordinating body (or equivalent body).....	36
General principles on disputes.....	36
Dispute resolution process: official level.....	38
Option 3.....	39
Dispute resolution process: ministerial level.....	40
Arrangements for coordinating responses to challenges/questions by other WTO members.....	41
Annex i: definitions.....	43
Product coverage.....	43
Article 6.5 of the WTO AoA.....	44
Annex 2 of the WTO AoA.....	44
Annex II: Data requirements broken down per table.....	54
Annex III: Current programmes requiring data submission by the Parties.....	60

Explanatory note

1. This concordat has been agreed between Ministers of the United Kingdom's four governments. The purpose of this concordat is to explain how the four UK governments will work together to ensure compliance with the UK's obligations under the WTO Agreement on Agriculture, within the framework of sections 43-45 in the Agriculture Act 2020 and the regulations flowing therefrom.
2. This concordat has been developed collaboratively between officials from the Department of Agriculture, Environment and Rural Affairs (DAERA) in Northern Ireland, the Scottish Government, the Welsh Government and the UK Government.
3. Agriculture is a devolved policy area under the devolution settlements of Scotland, Wales and Northern Ireland. Each government therefore has the ability to design and implement agricultural policies for their own territories, consistent with international obligations, including the Northern Ireland Protocol. The concordat builds upon commitments already developed between the four governments to work together at a UK level. This includes the Common Frameworks Principles agreed at the Joint Ministerial Committee for EU Negotiations (JMC(EN))¹ and the Review of Intergovernmental Relations (2022)².
4. The UK Government, Scottish Government, Welsh Government and Northern Ireland Executive recently agreed to use the package of reforms which emerged from the joint IGR Review as the basis for the conduct of intergovernmental relations. All governments commit to maintaining positive and constructive relations, based on mutual respect for the responsibilities of the governments and their shared role in the governance of the UK. Defra and the Devolved Governments will begin working under the new governance arrangements and principles of engagement and joint working with immediate effect.

¹ [Joint Ministerial Committee \(EU Negotiations\) Communiqué - October 2017](#)

² [The-review-of-intergovernmental-relations](#)

Concordat on the World Trade Organisation Agreement on Agriculture (Domestic Support)

5. This concordat on World Trade Organisation (WTO) Agreement on Agriculture (AoA) (Domestic Support) is an agreement between the four governments of the UK:
 - i. the UK Government;
 - ii. the Scottish Government;
 - iii. the Welsh Government; and
 - iv. the Northern Ireland Executive.
6. The administrations listed in paragraph 4 will be referred to collectively as ‘the Parties’, and individually as a “Party” for the purposes of this Concordat.
7. This concordat is to accompany The World Trade Organisation Agreement on Agriculture (Domestic Support) Regulations 2020 (hereafter referred to as “the Regulations”) which came into force 17th December 2020.³
8. For the avoidance of doubt, references to regulations in this concordat refer to the Regulations, unless otherwise specified.
9. The Regulations set out certain responsibilities for the appropriate authorities in relation to domestic support given in England, Wales, Scotland and Northern Ireland. For the purposes of the Regulations and this concordat, the appropriate authorities (as set out in the Agriculture Act 2020) are the Secretary of State

³ <https://www.legislation.gov.uk/uksi/2020/1578/contents/made>

and the devolved authorities (the Scottish Ministers, the Welsh Ministers or a Northern Ireland Department). In practice we expect that the functions of the Secretary of State will be exercised by the Department for Environment, Food and Rural Affairs (Defra) Secretary of State.

10. A separate Agricultural Support Framework concordat provides a non-legislative framework for UK collaboration, coordination and cooperation on agricultural support.

General principles

The World Trade Organisation Agreement on Agriculture (“the AoA”)⁴ establishes a number of general rules and commitments, mainly in three areas sometimes called the “three pillars”. These are: market access, domestic support and export competition. This concordat primarily deals with commitments on domestic support, although some aspects of export competition (export subsidies for example) fall within this bracket.

The overarching aim of the AoA in regard to domestic support is to limit and, over time reduce, the use of trade-distorting subsidies. Acting in the spirit of that Agreement, the Parties agree to limit the use of trade-distorting support in accordance with commitments made at the WTO. The Parties shall not provide subsidies which WTO members have agreed are prohibited including export subsidies.

Communication and consultation

The Parties are committed to the principle of effective communication with each other and in confidence and will seek to alert each other as soon as practicable to developments that might be relevant to membership of the WTO.

Co-operation

The Parties commit to work together, where appropriate, on matters relating to the AoA.

⁴ https://www.wto.org/english/docs_e/legal_e/14-ag_01_e.htm

Exchange of information, statistics and research

In order to enable each Party to operate effectively, they will aim to provide each other with as full and open as possible access to technical and policy information including statistics and research and, where appropriate, representations from third parties that would assist in issues relevant to the AoA.

The Parties recognise that co-operation is necessary to meet their respective policy and business objectives and their collective responsibility to deliver official statistics to the required standard. In addition to the WTO notifications, the UK has other international⁵ and domestic⁶ statistical reporting obligations based on the same data as are mandated for the WTO DS:1 data submission. Where possible, data collection processes will be consolidated with the aim of minimising the overall number of requests made by Defra and reducing the number of data submissions required from devolved governments.

Confidentiality

The Parties to this concordat will treat information received from another Party as confidential and will safeguard the information to avoid prejudicing the other Party's interests. In particular, the Parties accept that:

- (i) it is for the Party providing the information to state what, if any, statutory or other restrictions there should be upon its usage;
- (ii) where it is legal to do so, each Party will treat information that it receives in accordance with the restrictions that are specified as to its usage and no

⁵ Principally the annual return of data to the Organisation for Economic Cooperation and Development for Agricultural Policy Monitoring and Evaluation required under our membership obligations.

⁶ For the production of the UK Aggregate Accounts for Agriculture and the ONS National Accounts.

information will be further disclosed without the consent of the Party providing the information;

(iii) the Party that is in receipt of the information may be subject to a legal obligation to disclose information in certain circumstances (e.g. in response to a request under the Freedom of Information Act 2000 or any equivalent legislation), and where this is the case, before disclosing any of the relevant information, the government that provided the information must be consulted about the propriety of disclosing it and given the opportunity to provide its assessment of the applicability of any exemption to the requirement to disclose information;

(iv) they will observe the confidentiality requirements that relate to documents that are designated as confidential in particular (but also more generally) for the purposes of conducting a WTO dispute

(v) circulation of information relating to matters set out in the concordat is to be limited to the appropriate authorities unless otherwise stated.

Limits on domestic support

A primary aim of the AoA is to set limits on the amount of trade-distorting ('amber box') domestic support that can be given to agricultural producers by WTO members. Amber box support includes support which provides price support to producers, such as product-specific market price support, for example using government funds to buy up outputs from producers at above-market prices.

All WTO members are allowed to use *de minimis* levels of amber box support, as set out in Article 6.4 of the AoA, whereby, for example, up to 5% of the value of production for a particular product may be spent on product-specific amber box support. WTO members (including the European Union) who were spending more than *de minimis* levels of amber box support at the time the AoA was negotiated, retained the option to provide above *de minimis* levels of amber box support, up to the level agreed in their AMS (Agricultural Measurement of Support) commitment.

The Aggregate Measurement of Support is **all domestic support** (subsidies) to agricultural producers (within scope of the AoA definitions) **excluding**;

- **Green box support**; support considered non-trade-distorting because it meets the criteria set out in Annex 2 of the AoA.
- **Blue box support**; support considered trade-distorting (because it is coupled to levels of production) but with limited impacts because it is coupled to limited levels of production as set out in Article 6.5 of the AoA.
- **Amber box support within *de minimis* levels**. Note that where amber box support exceeds *de minimis* levels, all of that amber box support must be included in the calculation of AMS (not just the amount above *de minimis* levels).

The AMS commitment therefore represents an upper limit on amber box spending once *de minimis* spending has been accounted for. The EU's AMS commitment is currently €72.4 BN, and it has been agreed between the EU and the UK that the UK will take a €5.9 BN share of the EU's AMS commitment on leaving the EU. The UK therefore set out an AMS commitment of €5.9 BN in its Goods Schedule laid at the WTO in July 2018. This is a single commitment for the whole of the UK.

Given that agriculture policy is devolved in the United Kingdom, each government is able to decide its future policy on domestic support to agricultural producers. There is however a need to ensure that the UK complies with its AMS commitment as a single WTO member. The Agriculture Act therefore contains powers for the Secretary of State to make provision (through secondary legislation) to apportion the UK AMS commitment within the UK. The Regulations set annual limits on use of amber box support for each government.

It is agreed that the limits for each government should be based on the following five principles:

- **Fairness** – based on an agreed and objective approach, informed by evidence where required;

- **Certainty** – allocations provide a stable framework within which government can plan their agricultural policies;
- **Avoiding perverse incentives** – the allocation should not create incentives to alter policies in ways that have adverse effects on other governments;
- **Consistency** – our approach supports overall compliance with the AoA and does not undermine any of our commitments and obligations; and;
- **Collaboration** – we will strive to work together on these regulations and will aim to accommodate the wishes of all governments wherever possible.

In accordance with the above principles, and having considered a range of alternative options, it is agreed that the amber box limit for each part of the UK will be the average amount of notifiable domestic support given in that part of the UK in 2014-2017. At current levels of spending each part of the UK will therefore remain in compliance with its amber box limit regardless of how its domestic support schemes are classified. This ensures that the UK as a whole remains in compliance with its AMS commitment whilst ensuring that devolved policy choices are not constrained.

The limits for each part of the UK are expressed in the Regulations as a percentage of the UK AMS commitment and are therefore ambulatory (they track the AMS commitment). It is agreed that the limits should be reviewed periodically to ensure that they continue to meet the five principles.

The UK domestic support reserve

In accordance with the Regulations, “the reserve” is the balance between the combined limits for the individual governments and the UK AMS commitment as follows:

Reserve = UK AMS Commitment – (sum of amber box limits for England, Wales, Scotland and Northern Ireland) + *de minimis*

De minimis is not known in advance, however, as it is calculated as a percentage of the value of production (VoP). For practical purposes therefore the *de minimis* amber box allowance can only be used in retrospective calculations of AMS for the purposes of the DS:1 notification.

The Regulations state that:

The reserve may be used—

(a) to account for spending on amber box domestic support in a Crown Dependency, or any other territory whose spending on domestic support is taken into account in determining the Aggregate Measurement of Support given in the United Kingdom;

(b) to provide amber box domestic support which applies to more than one country in the United Kingdom; or

(c) for any other purpose the Secretary of State, after consultation with the devolved authorities, considers appropriate.

It is expected therefore that, aside from allowing for the relatively small amounts of amber box support measures in the Isle of Man and other Crown Dependencies, to whom the UK's WTO membership has been extended, the UK reserve primarily provides capacity for the provision of market intervention measures as required from time to time to stabilise prices for agricultural goods or where it has been decided that amber box financial support measures are needed to support agricultural producers in the event of significant market disturbances caused by such things as disease outbreaks or natural disasters.

It should be noted that where financial assistance given in the event of natural disasters and certain other market disturbances complies with Annex 2 of the AoA it can be notified as green box support and does not count towards the AMS total notified to the WTO. However, these measures must be notified to the WTO, ideally in advance, but in any case, within 30 days of adoption using the DS:2 notification (see "DS:2 NOTIFICATIONS"). The Parties agree to consider the use of green box measures in the first instance as these measures are considered to be non or

minimally trade distorting. Where a measure does not fulfil the requirements to be classified as green box, the Parties agree to consider use of the blue box where possible. The Agricultural Support Framework concordat gives further detail on how the four governments will work together in designing and implementing any measures necessary for intervention in agricultural markets.

The Regulations also give some flexibility on what the UK AMS reserve can be used for. This may allow for an additional portion of the AMS commitment to be divided between the four governments if there is good justification for doing so, for example if the UK agrees to make further AMS reduction commitments which adversely affects individual governments. Use of the reserve for purposes not specifically allowed for in the Regulations is at the discretion of the Secretary of State and subject to consultation with the devolved authorities.

Classifying domestic support

Scope of the AoA

Under the AoA, the UK is required to notify other WTO members about its use of domestic support. The AoA does not provide an exact definition of the term 'domestic support' but for the purposes of the AoA, domestic support broadly means financial support (including government revenue foregone) made in favour of producers of most agricultural (and some forestry and horticultural) products. As specified in Article 1 of the AoA, the Aggregate Measurement of Support (AMS) means *“the annual level of support, expressed in monetary terms, provided for an agricultural product in favour of the producers of the basic agricultural product or non-product-specific support provided in favour of agricultural producers in general, other than support provided under programmes that qualify as exempt from*

*reduction under Annex 2 to this Agreement*⁷. Product-specific and non-product-specific support is therefore within scope of the AoA.

Product coverage is given in Annex 1 of the AoA and is reproduced in Annex I of this concordat for reference (although this does not take precedence over any current version of the AoA). Support that is made in favour of the products listed in Annex 1 to the AoA, i.e. support given to producers of those products, is therefore within scope of the AoA whether the support is product-specific or non-product specific. Product-specific support is support specifically given for the production of an Annex 1 product, such as market price support for wheat for example. Non-product-specific support is support given to producers of Annex 1 products which does not support the production of a specific Annex 1 product. An example of non-product-specific support is a payment made for actions undertaken by a producer of Annex 1 products under an agri-environment scheme, such as tree planting. This example highlights a potential difficulty in defining the scope of the AoA, as timber is not an Annex 1 product, and while support for tree planting under agri-environment schemes is routinely notified as being within scope of the AoA, support for timber production is less clearly within scope. Even if the support is product-specific and it does not relate to an Annex 1 product however, the potential for cross-subsidisation of Annex 1 products produced by the recipient of the support should be considered.

Support for forestry-related activities cannot therefore be assumed out of scope of the AoA. Similarly, the AoA specifies in Annexes 3 and 4 that “measures directed at agricultural processors shall be included to the extent that such measures benefit the producers of the basic agricultural products”, although no further guidance or interpretation is given. In cases where there is doubt around whether a proposed scheme should be considered as providing domestic support for the purposes of the AoA, it may be necessary to seek legal advice and also the opinion of the Policy

⁷ Support that meets the requirements of Annex 2 is referred to as ‘green box support’, and along with support that meets the requirements of Article 6.5 (blue box support) and *de minimis* levels of amber box support, is exempt from the ‘reduction commitment’ and hence does not count towards a Member’s Aggregate Measurement of Support (AMS).

Collaboration Group such that (ideally) a consistent approach can be taken within the UK. If the support is outside the scope of the AoA, it is also outside the scope of the Regulations but it is expected that in any case scheme proposers will also need to determine (where necessary with support from appropriate expertise) whether the support is within scope of [other WTO agreements](#) including the [Agreement on Subsidies and Countervailing Measures](#) ('SCM Agreement') and any other domestic or international obligations on subsidy control, and ensure that those obligations are met.

It is important for a number of reasons that the UK classifies domestic support appropriately and accurately. These reasons include reducing the risk of challenge from other WTO members, which is likely to occur if domestic support has been classified inappropriately (given the incorrect classification) or insufficient information has been notified to the WTO to satisfy other members that the classification is appropriate. It is important therefore that robust processes exist within the UK to decide the appropriate (green, blue or amber box) classification of domestic support before it is notified to the WTO, and the processes set out in the Regulations represent a framework, within which collective decisions can be made on the classification of domestic support schemes before they are notified to the WTO.

Giving notice of new or amended schemes

When a proposing authority intends to introduce a new or amended domestic support scheme, they are required under regulation 5 to give notice of their intention to do so to the UK co-ordinating body, and if no UK co-ordinating body has been designated, to the other appropriate authorities within the UK, and to provide a proposed classification for the support scheme along with other information as required under regulation 5(6).

By virtue of regulation 5(1)(b), a notice is not required if changes to a scheme do not affect the information previously given for a scheme under regulation 5(6).

It is expected that if the scheme meets the requirements of Annex 2 of the AoA a green box classification will be proposed, and if the proposed scheme meets the requirements of Part IV Article 6.5 a blue box classification will be proposed.

Annex 2 and Article 6.5 of the AoA are reproduced for reference in Annex I of this concordat but do not take precedence over any current version of the AoA. It is expected that if the proposed scheme does not meet either the green box or blue box criteria an amber box classification will be proposed.

Neither the AoA nor the Regulations provide instructions on how the green box or blue box criteria should be interpreted. This is intentional, as the criteria themselves are relatively high-level to reflect the diversity that exists between agricultural producers in different countries, and the need to allow divergence in domestic support policy between WTO Members within the AoA framework. For example, the AoA specifies that to meet the Annex 2 criteria, payments under environmental programmes shall be limited to the extra costs or loss of income involved in complying with the government programme. It is left to individual WTO Members to justify how they have complied with that requirement when notifying environmental programmes as green box. Payment rates for environmental programmes therefore vary between WTO Members, as costs and income levels vary by country, and also by region, but to notify such programmes as green box, appropriate justification must be provided. WTO members can challenge green box and blue box classifications if they choose to and therefore the UK may at times be required to defend its classification of domestic support schemes.

Regulations 5(7)(b) and 5(8)(b) require that if the proposed classification is green or blue box, the information submitted with the proposed classification must include evidence of how the support meets the relevant green box (AoA Annex 2) or blue box (AoA Article 6.5) criteria. Whilst it may be advantageous to establish common approaches to meeting the green box and blue box criteria, such as standardised mechanisms for calculating green box payment rates for agri-environment schemes for example, it is also acknowledged that divergence between administrations is likely. It is possible therefore that a number of different approaches will be adopted within the UK, and there will be a need to decide whether these different approaches

meet the green box or blue box requirements (the 'exemption criteria'). It is important therefore, in particular when adopting new approaches to meeting the exemption criteria, that scheme proposers give sufficient detail and clarity to allow the appropriate authorities to decide whether the relevant green box or blue box criteria will be met. This is a similar approach to that taken by the EU in regulation 808/2014⁸ which allows Member States to diverge when making standard assumptions of additional costs and income foregone but requires them to ensure that the calculations and the corresponding payments:

- (a) contain only elements that are verifiable;
- (b) are based on figures established by appropriate expertise;
- (c) indicate clearly the source of the figures used;
- (d) are differentiated to take account of regional or local site conditions and actual land use, where applicable;
- (e) do not contain elements linked to investment costs.

Under regulation 6 the Secretary of State or another appropriate authority may challenge the proposed classification of a new or amended domestic support scheme by way of representations. To allow sufficient time for challenges for proposed classifications to be considered and resolved, notice of new or amended domestic support schemes is normally required six months in advance of adoption ([see 'Terminology' section](#)). However, there are some exceptions for 'like-for-like' schemes and crisis measures.

Like-for-like schemes

Where the proposed domestic support replaces a similar scheme which has been adopted in the United Kingdom, or any part of the United Kingdom, it is likely that the

⁸ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014R0808&from=en>

classification can be carried over. Hence regulation 5 paragraphs (1) and (2) allows for less than six months' notice to be given where amendments to an existing scheme do not, in the opinion of the proposing authority, affect the classification of the support provided under that scheme. Also, (under regulation 5 paragraphs (7) and (9)), where the proposed scheme replaces a previous scheme with the same classification as the proposed scheme, as long as the previous scheme has been adopted in the United Kingdom, or any part of the United Kingdom, the evidence supplied in support of a proposed classification may include a statement of why the proposed scheme should take the same classification as the previous scheme accompanied by a list of differences between the two schemes.

The UK co-ordinating body

Regulation 3 allows for the Secretary of State, following consultation with the devolved authorities, to designate a body in the United Kingdom to be responsible for co-ordinating the collection of information needed to enable the United Kingdom to comply with its obligations under the AoA. Following the procedure in Regulation 3 process, [the UK Coordinating Body \(UKCB\) has been designated as this body](#).

The UKCB will receive notice of new or amended support schemes given under regulation 5(1) and share those notices with the appropriate authorities and the Policy Collaboration Group. The UKCB will also continue to play a role in the collection of data for the DS:1 notification.

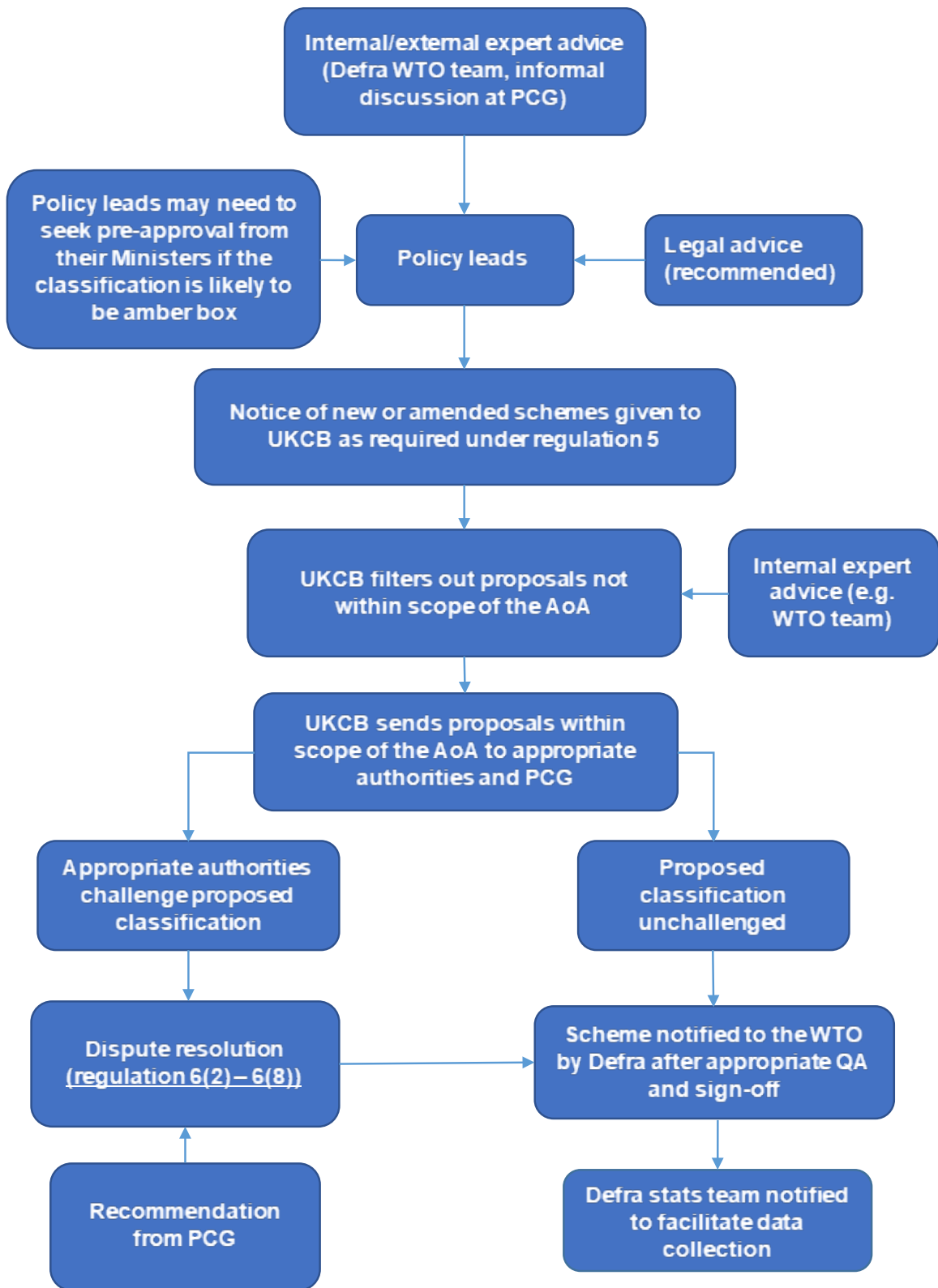
The Policy Collaboration Group

A Policy Collaboration Group (PCG) is established under the Agricultural Support Framework concordat, with a membership consisting of policy leads from the four UK governments. Scheme proposers should engage with the PCG at an early stage to share and discuss ideas and plans for new, or changes to, agriculture support schemes, and to discuss proposed classifications.

The PCG may make recommendations on the classification of domestic support schemes in the event that the proposed classification is challenged under regulation 6. A flow chart showing the recommended process of scheme classification is given in Figure 1.

Once the classification for a new or amended scheme has been agreed within the UK, the support can be notified appropriately to the WTO by Defra. Green and blue box schemes (i.e. those exempt from the reduction commitment) must be notified to the WTO before [adoption](#) where possible, or in any case within 30 days of adoption, in the form of a DS:2 notification except where it is considered appropriate to batch together notifications at programme level. Amber box schemes do not need to be notified in advance, but the level of all domestic support (green, blue, and amber box) needs to be notified to the WTO on an annual basis in the form of a DS:1 notification.

Figure 1. Process for deciding the classification of new or amended schemes. The Regulations set out a consultation process by which the four UK Governments agree the classification of new and amended forms of domestic support. In practice, domestic support notifications will normally be submitted to the UK Co-ordinating Body (UKCB) by policy leads working in consultation with their legal advisors and other appropriate expertise. Proposals may be tabled for informal discussion at a Policy Collaboration Group (PCG) where appropriate, and the PCG may be asked to make a recommendation on the classification of domestic support in the event of a dispute. Once the classification has been agreed, the domestic support will be notified appropriately by Defra to the WTO.



Notification of UK domestic support to the WTO

WTO Members are required to submit, for review by the WTO Committee on Agriculture, the following notifications of their domestic support measures:

- DS:1 – Annual notification of the overall level of non-exempt domestic support (the current total Aggregate Measurement of Support (AMS)) accompanied by supporting tables showing the level of support exempt from the reduction commitment (green box support, blue box support and amber box support made within *de minimis* levels);
- DS:2 – Notification no later than 30 days from adoption of any new or amended scheme for which exemption is claimed from the reduction commitment (green or blue box measures).

Ds:2 notifications

Terminology

1. AoA Article 18(3) requires notifications be made promptly. The G/AG/2 document records that as the point of adoption of a scheme.
2. **Modification:** The Parties can interpret Modification as used in the AoA Article 18(3) and G/AG/2 by referring to regulation 5(1)(b) of the Regulations.
3. **Adoption:** G/AG/2 states that a notification should be submitted for each new or modified measure that is exempt from reduction as far as practicable before such measures are adopted and in any event within 30 days of adoption. The term adoption is not defined but a reasonable interpretation is the stage when the measure is in final form but possibly before it comes into force; an SI for example may be considered to be in its final form when it is 'made' rather than

when it comes into force. Given that G/AG/2 states that the DS:2 notification should be submitted for each new or modified measure that is exempt from reduction as far as practicable before such measures are adopted and in any event within 30 days of adoption, and a measure is 'adopted' when it is in its final form, the UK will normally aim to notify new or modified green and blue box measures before they are in their final form or in any case within 30 days of that date. However, for consistency with the approach taken by other WTO members, DS:2 notifications may be delayed and submitted to the WTO in batches, for example at programme level.

4. Additionally, notice of new or amended domestic support schemes needs to be given within the UK under regulation 5 at least six months in advance of the scheme being 'adopted' i.e. considered to be in its final form (unless an exemption to that applies such as in the case of crisis measures). This creates the possibility that some schemes may not be in their final form at the point of notification, which may be undesirable.
5. Given that some schemes will be developed iteratively, and potentially changed shortly before coming into operation, a point of adoption common to many schemes will be the opening of the scheme application window, or the date of issue of the offer in the case of grants. This should not preclude earlier notification in cases where it is considered that the final form of a scheme (or grant) is set, for example when a statutory instrument defines a scheme precisely, in which case the date when the SI is made is likely to be when the measure is in its final form, and hence the point of 'adoption'.
6. **Entry into effect/enter into force:** For the purposes of regulation 5(6) and the G/AG/2 document, the terms 'date of entry into effect' and 'enter into force' will be taken to mean the same thing and will usually be the start of the disbursement of payments under a support measure

Agreed principles

7. Once a party has followed the procedures laid out in the Regulations, the Parties recognise that Defra, on behalf of the UKG, is required to use this information to fulfil the UK's international notification obligations at the WTO and submit a DS:2 notification.
8. WTO Document G/AG/2 states that all Members that are introducing a new support measure, or making modifications to an existing measure, for which an exemption from reduction is claimed are required to notify via a DS:2 notification.
9. G/AG/2 states that the DS:2 should be submitted to the WTO as far as practicable before such measures are adopted and in any event within 30 days of adoption. The notification procedures for the purposes of the internal UK notification for box classification purposes via the UKCB, must commence 6 months prior to the date of adoption as detailed in regulation 5(1).
10. Exemptions from domestic support reduction commitments can fall under one or more of the following categories that are relevant for the UK:
 - (i) Green Box: measures that have no or at most minimal trade-distorting effects or effects on production. The criteria relating to these "green box" measures are contained in Annex 2 to the AoA; [Paragraph 1 sets out the general criteria and paragraphs 2-13 detail policy specific criteria.]
 - (ii) Blue Box: direct payments under production-limiting programmes. The criteria relating to these "exempt direct payments" (or "blue box" measures) are contained in Article 6:5 of the AoA.
11. Domestic support which does not meet the criteria in Article 6(5) or Annex 2 of the AoA is considered Amber Box and does not require a DS:2 notification to be submitted although procedures under regulation 5 still need to be followed to approve the amber box classification. Amber box schemes will be covered

under the annual DS:1 notification and the Parties are still required to collect financial and programmatic detail on the measure to be included in the DS:1 notification annually. Please refer to the DS:1 Notification section for more details.

Data required

12. New Measures: Defra will use the information supplied under regulation 5(6) of the Regulations to draft the notification. For green box measures information supplied under regulation 5(7) will be included and for blue box measures information supplied under regulation 5(8) will be included.
13. Modified Measures: In addition to the information supplied under regulation 5(6) Defra will use the list supplied under 5(9)(b).
14. If any changes occur to the policy between the time that the information is supplied under the Regulations and when the final DS:2 notification is prepared for the WTO, the Parties agree to notify Defra of these changes.
15. The Parties recognise that once a programme is notified through a DS:2 notification it will then need to be added to the annual DS:1 notification and reported on annually as described by regulation 8. The Parties accept the responsibility for data collection and agree to put in place sufficient capability in order to capture all the data required for a DS:1 notification as detailed under the section 'DS:1 Notification' and regulation 8.

Process

16. Defra will draft the notification.
17. During drafting, Defra may require additional information in order to ensure that the quality of the notification will stand up to international scrutiny. The Parties agree to work collaboratively with Defra in supplying this information.

18. Once drafted, the notification will be circulated via the relevant government for proof reading before quality assurance, clearance and submission to the WTO secretariat. The WTO team within Defra is responsible for the final submission and will notify the relevant policy lead and the UK coordinating body when a submission has been made. The UKCB will circulate the final DS:2 notification to all Parties.
19. Following this final notification, Defra will contact the relevant policy lead or government to agree data reporting arrangements.
20. Please reference DS:1: Notification Arrangements paragraph 7 and 8.

DS:1 notifications

Agreed principles

1. The Parties recognise that WTO Members must notify information on all domestic support measures being applied in a reporting year along with their monetary values. As a Member of the WTO, the UK is obliged to submit this information via a DS:1 notification on an annual basis.
2. Once a new green, blue or amber box scheme has been set up following the procedures in the Regulations and a DS:2 notification has been submitted if so required, the Parties accept that all financial and programmatic details for the scheme will need to be accurately recorded for the scheme's lifetime for the inclusion in the annual DS:1 submitted to the WTO by Defra on behalf of the UK. This includes Amber Box schemes.
3. Hereinafter establishes an agreed understanding between the Parties on working arrangements for future Domestic Support notifications in order to submit timely and accurate DS:1 notifications.
4. For the purposes of the DS:1 notification, a reporting year can be considered a Calendar Year, a Financial Year or a Marketing Year. It has been agreed

that the UK will adhere to a Calendar year for reporting purposes The Parties agree to adhere to this reporting period and collect the data for their relevant domestic support programmes.

5. The Parties acknowledge that the DS:1 notification should be made in accordance with the timeframes set out in WTO document G/AG/2. At the time of publication these timeframes stipulate that the DS:1 notification should be made no later than 90 days following the end of the reporting year. Where the notification submitted within the 90-day period is provisional, the final notification should be submitted no later than 120 days following the end of the year. Please refer to paragraph 2 Annex II.
6. The Parties acknowledge that failure to meet this deadline poses undue reputational risk on the UK as a whole as other WTO members will be scrutinising the timeliness and accuracy of our notifications. The Parties agree to submit the relevant data for the DS:1 notification within 30 days to the relevant body following the close of the reporting period. This will allow 60 days for the collation, analysis and clearance of the data before the required deadline. This data will be classified and represented in the DS:1 according to the box classification decided during the DS:2 internal UK notification procedure as laid out in Regulation (5). That is, those schemes declared Green Box as per Regulation (5) procedures will be listed on supporting table 1; Blue Box on supporting table 3 and Amber Box schemes on supporting tables 4 to 9. For an overview, please refer to Table 1. Green and Blue Box schemes will require the additional notification of a DS:2 to be submitted, usually at the point of adoption of the scheme. Please refer to the section entitled DS:2 notifications to be read in conjunction with the Regulation.
7. The Parties recognise Defra in representing all four nations as Secretariat for the purposes of the Committee on Agriculture and its requisite notifications. The UK co-ordinating body currently collects data from the CAP Paying Agencies and it is expected that this will continue for CAP legacy schemes under the existing arrangements. Defra currently collects some data directly from the devolved governments (inspection services for example) and this will

also continue under existing arrangements. Data for new schemes will be collected either by the UKCB or Defra directly from devolved governments. Defra will be responsible for receiving data from the UKCB and devolved governments and for collating these data. Defra will be responsible for submitting the final notification to the WTO Committee on Agriculture.

8. The Parties acknowledge that a fundamental aspect to the proceedings of the Committee on Agriculture is the scrutiny of WTO Members' notifications. To this end, the Parties agree to work constructively with Defra in the drafting and clearance of responses to questions submitted by other WTO Members so as to provide further clarification or robustly defend the notification. The Parties recognize that due to current Committee on Agriculture working proceedings WTO Members may only have a short timeframe to provide a response. The Parties acknowledge this time constraint and agree to provide the necessary resource to ensure the UK can respond in an effective and timely manner.

Agreed process

9. The Parties agree to abide by the principles on data sharing set out in the Review of Intergovernmental Relations (2022)⁹. This includes:
 - the commitment of all Parties to the principle of good communication with each other; and
 - cooperation on matters of mutual interest.
10. The Parties agree to utilise existing structures for the purposes of DS:1 data collection. New procedures will be discussed at the point in time when the existing structures become inefficient and cease to serve their purpose. The

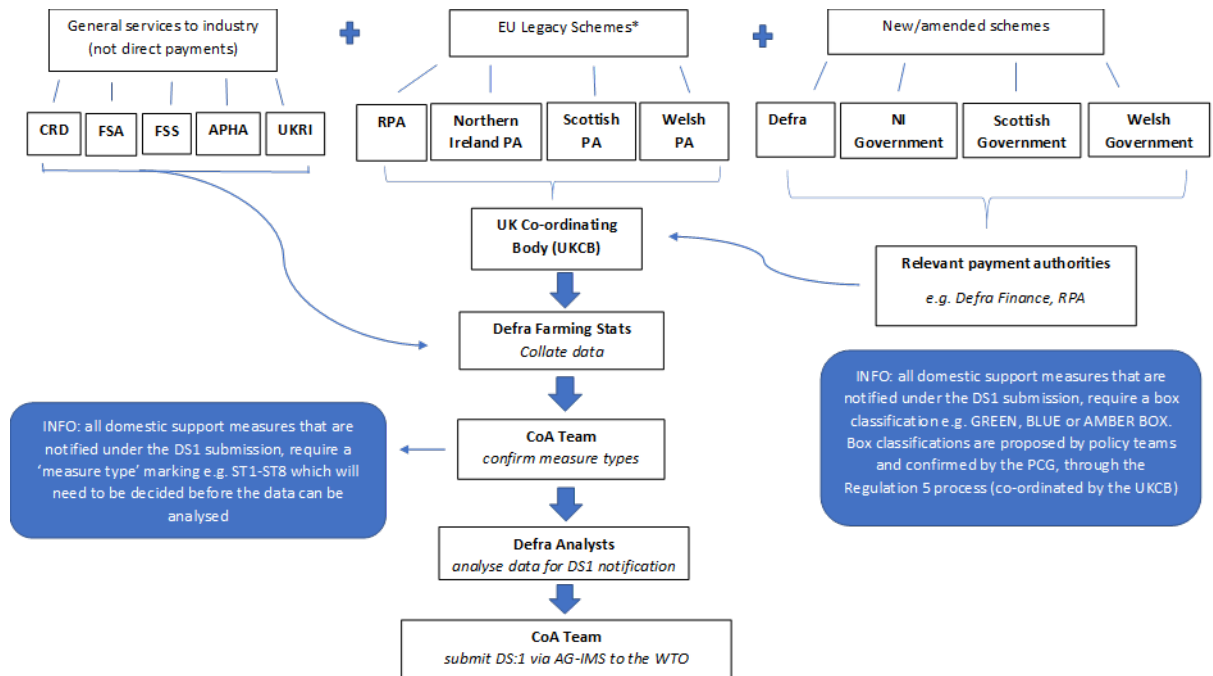
⁹ [The-review-of-intergovernmental-relations](#)

Parties agree to constructively engage on the matter to seek a structure that works for all.

11. In accordance with the above, Defra recognises the role the UK Coordination Body (UKCB) plays in its work with the Devolved Government's Paying Agencies. In so far that the UKCB continues in its current form, Defra expects the Paying Agencies to continue to submit their data to the UKCB. Defra will then retrieve the combined data from the UKCB.

12. Please see Figure 2: UK DS:1 Data Flow for an indicative visual representation of the process.

Figure 2. Indicative UK DS:1 Data Flow. The UK Co-ordinating Body (UKCB) has a central role in coordinating the collection of information on domestic support spending from the four UK Governments, collating the data and passing it on to Defra for onward notification to the WTO.



*Previous EU Schemes which have been rolled over into UK legislation e.g. including CAP & state aid schemes

Data required

13. A complete DS:1 notification consists of a summary table (Table DS:1) and nine supporting tables (Supporting Tables DS:1 to DS:9).

14. *Table 1* provides an overview of the data captured under each Supporting Table.

15. There are variations in the metrics required between each supporting table. A breakdown of the metrics required for each Supporting Table that is relevant to the UK is provided in Annex II. In addition, the Parties are encouraged to

familiarise themselves with WTO document G/AG/2¹⁰ and the Handbook on Notification Requirements under the AoA¹¹ that will provide additional information on notifications. The recent EU DS:1 notification, [G/AG/N/EU/61](#), dated 24 April 2020 and reporting for the marketing year 2017/2018 can also be used as reference.

16. The Parties agree to submit this data to the relevant body within 30 days of the reporting year ending. This is to allow sufficient time for collation, quality assurance and clearance before the required submission date.
17. Data requested in Annex II is not exhaustive and Parties may be requested to provide additional information. Notification requirements are subject to amendment by WTO Members and may change in the future. This could be a formal change such as through an amendment of G/AG/2 or a WTO Ministerial Decision at a WTO Ministerial Conference or an informal change requested through verbal committee proceedings. Defra will update the Parties when such change occurs. Defra will endeavour to provide notice in as far in advance as possible whilst subject to the constraints of the WTO proceedings. The Parties agree to meet these new demands as far as possible. If the Parties have taken all reasonable measures to meet these new demands and will still be incapable of supplying the new data, Defra and the party will consult to find a reasonable solution.
18. Annex III lists the current programmes identified under the EU nomenclature that the Parties are responsible for supplying data on. This data is currently being supplied to the UKCB. The Parties bear the responsibility to notify Defra of programmes missing from this list that are currently notified to the EU Commission for the DS:1 notification. As the Parties implement new

¹⁰ https://docs.wto.org/dol2fe/Pages/FE_Search/FE_S_S009-DP.aspx?CatalogueIdList=37567,35927&CurrentCatalogueIdIndex=1&FullTextSearch=

¹¹ https://www.wto.org/english/tratop_e/agric_e/ag_notif_e.pdf

programmes and the Regulations, this list will begin to change as we begin diverging from the EU.

19. Reporting templates will be disseminated by Defra in due course to aid data collation. Until this occurs, the Parties agree to reference paragraph 19. The Parties agree to submit data in the format required. The reporting templates will be maintained and updated to reflect changes to data demands, please refer to Annex II paragraph 2.

20. Any further guidance (on technical matters relating to data collection and reporting) will be issued separately as may be required.

Table 1: Notification Overview ¹²

What to notify	Table/ Support ing Table (ST)	Comments
Overall non-exempt support amount (i.e. Current Total AMS)	Table DS:1	Overall non-exempt support amount (i.e. Current Total AMS) alongside the scheduled Total AMS commitment level for the reporting year in question is reported in Table DS:1.
Green Box measures (“exempt” category of support)	ST DS:1	All Green Box measures, if existing, in the relevant reporting year along with the <u>monetary value</u> .

¹² Adapted from the ‘Handbook on Notification Requirements Under the Agreement on Agriculture’ published by the WTO Secretariat. The full document can be found here: https://www.wto.org/english/tratop_e/agric_e/ag_notif_e.pdf

What to notify	Table/ Support ing Table (ST)	Comments
Development Programmes (not applicable to UK) (“exempt” category of support)	ST DS:2	N/A
Blue Box measures (“exempt” category of support)	ST DS:3	All Blue Box measures, if existing, in the relevant reporting year along with the <u>monetary value</u> .
Calculation of Current Total AMS (“Non-exempt” or Amber Box support)	ST DS:4	Product-specific AMS (ST DS:7) or EMS (ST DS:8) for all products receiving such support and total non-product-specific AMS (ST DS:9) are summed up here. Support amounts (whether product-specific or non-product-specific) that are claimed to be within the relevant <i>de minimis</i> levels are left out of summation. Total support is called “Current Total AMS” and is carried over to column 3 of Table DS:1.
Market Price Support (“Non-exempt” or Amber Box support)	ST DS:5	Support measures for all products receiving market price support are reported here along with necessary calculations.

What to notify	Table/ Support ing Table (ST)	Comments
Non-exempt direct payments (“Non-exempt” or Amber Box support)	ST DS:6	Support measures for all products receiving non-exempt direct payments (whether price-contingent or otherwise) along with necessary calculations.
Other products-specific support, and Total Product-specific AMS (“Non-exempt” or Amber Box support)	ST DS:7	All other product-specific support measures, i.e. not covered under either market price support (ST DS:5) or non-exempt direct payments (ST DS:6) are included in ST DS:7 . Since market price support and non-exempt direct payments measures (as taken from ST DS:5 and ST DS:6 respectively) are also included in ST DS:7 , this table consolidates Total product-specific AMS for all products receiving non-exempt support.
Product-specific EMS (“Non-exempt” or Amber Box support)	ST DS:8	Equivalent measurement of support (EMS) for all products along with necessary calculations
Non-product specific AMS (“Non-exempt” or Amber Box support)	ST DS:9	All individual non-product-specific measures. Individual amounts are then summed up and the total non-product-specific AMS figure is brought forward to ST DS:4 .

Role of UK coordinating body (or equivalent body)

Regulation 3 of the Regulations gives the Secretary of State power, following consultation with the devolved authorities, to designate a body to be responsible for co-ordinating the collection of information needed to enable the United Kingdom to comply with its obligations under the AoA.

The Parties agree that these functions shall include;

- Receiving and disseminating (to the appropriate authorities) notices relating to new or amended domestic support schemes as made under regulation 5. The Parties agree to nominate appropriate representatives to receive notifications from the coordinating body.
- Unless otherwise agreed, receiving and disseminating (to the appropriate authorities) the annual notification given in accordance with regulation 8.

Where no co-ordinating body has been designated, notices made under regulation 5 shall be sent by the authority proposing a new or amended domestic support scheme directly to the nominated representatives of the appropriate authorities.

Following the procedure set out in Regulation 3 the UK Co-ordinating Body (UKCB) has been designated as the co-ordinating body for the purposes of carrying out the above functions.

General principles on disputes

The Parties commit to maintain the distinction between:

- A difference of view (which has no impact on decisions taken by another party);

- A disagreement (which requires some resolution, ideally at official level); and
 - A dispute (which must be escalated to the Senior Officials Programme Board (SOPB) or at Ministerial level for resolution and/or refers to a decision that has been made with an unwanted impact on another party).
- The above distinctions should be used to ensure issues are escalated appropriately and the burden on dispute resolution processes are minimal.
 - Disagreements or disputes should first be escalated internally within each government. If disputes are unable to be resolved at the policy level, they can be considered at a Senior Official level through the SOPB and if necessary at ministerial level. In accordance with the Review of Intergovernmental Relations (2022), independent chairing and secretariat arrangements should be made available where needed.
 - The Parties commit to the principles of effective communication, cooperation and transparency as agreed in paragraph 7 of the Review of Intergovernmental Relations as well as the principles of transparency.
 - Dispute resolution processes will generally fall within two categories:
 - i. Adjudicative process: a judge or arbitrator takes a decision on the outcome; or
 - ii. Consensual process: including mediation, conciliation or negotiations.
 - Adjudicative processes are likely to be required where disputes arise in relation to the legislative or executive competence of an administration. The Supreme Court decided on issues in relation to whether the devolved executive and legislative authorities have acted, or propose to act, within their powers.
 - Dispute resolution between any two or more of the Parties should follow consensual processes wherever possible, in line with the principles below.

- The Parties commit to evidence-based decision-making and should include appropriate analysis of relevant scientific and technical considerations.
- Details related to a dispute, for example any independent analysis commissioned or formal minutes of discussions, will remain private between the four governments and any independent third parties brought in to help resolve the dispute, as agreed in paragraph 21 of the Review of Intergovernmental Relations (2022).
- Any publication of evidence or records related to ongoing or closed disputes, prior to such records being reported to respective legislatures, will require the agreement of the administrations involved.

Dispute resolution process: official level

1. **Concerns raised bilaterally (at any stage) or where appropriate multilaterally:** Initial discussions at working level to attempt early resolution.
2. Concerns raised at technical fora, where appropriate, for initial discussion and resolution.
3. **Notification of other administrations:** If initial discussions do not achieve resolution, an administration may notify another administration that it wishes to raise a formal dispute. This will not automatically and immediately result in a dispute, as a dispute does not arise until it emerges that the second party has a competing contention.
4. **Period of time for a respondent to consider the case before replying:** If the notifying administration imposes a deadline for a response this will not automatically curtail what would be a reasonable time for responding. The reasonable time period will be decided on a case by case basis.
5. **Formal dispute underway:** Commitment between officials to seek to resolve issues through discussion and analysis of evidence and aim to reach a consensus or compromise if possible, based on an objective analysis of issues and evidence. Each administration is responsible for briefing their respective Ministers on the progress of a formal dispute.
6. **Issues resolved through consensus or compromise:** End of dispute process.
7. **If no agreement reached:** officials could agree to seek further independent evidence or expert opinion before the issues are escalated to Ministers or an external body.

8. **Escalation to the Defra-DA Senior Officials Programme Board (SOPB) for further consideration if resolution not reached:** SOPB to convene meeting of officials from administrations involved, including where appropriate representatives of the relevant Territorial Offices. Each party to set out their positions and discuss options for resolution. The result will be one of the following:
- a. Proposal put to the relevant Ministers for their agreement.
 - b. Progress report to the relevant Ministers seeking their agreements for a further round of official level discussions.
 - c. Agreement that a request should be made for an independent third party report.

Option 3

1. Option 3: Any party may request independent analysis, such as an expert panel of technical or scientific advisors, but all parties must agree on the terms of reference for this analysis before it can be taken forward. Expectation that parties to the dispute will bear the cost of any independent analysis equally. The parties may utilise an established panel or agree to convene a panel for a specific dispute. If so, the parties must agree an independent chair from nominated candidates. The appointed chair is empowered to appoint other panel members they deem necessary with the agreement of the parties to dispute.
2. If independent analysis commissioned: The third party to consider the issues in line with the agreed terms of reference and provide a written report. Parties to decide, with facilitation from the Defra-DA SOPB is appropriate, whether to follow report advice or recommendations. Such advice or recommendations are not binding, however each party involved in the dispute will be expected to set out a rationale should they decide not to follow advice provided.
3. If a Defra-DA SOPB is convened to consider the independent report, that meeting will be one of the following:
 - a. Proposal put to the relevant Ministers for their agreement.
 - b. A report to the relevant Ministers seeking their agreement for a further round of the process at official level, with discussions potentially facilitated by external mediators
 - c. Any of the parties to an unresolved disagreement may refer it to the IMG EFRA Ministerial Group. (see below for dispute resolution process at Ministerial level).
4. Option 2: Where parties agree to a further round of official level talks facilitated by external mediators, the parties must identify and procure

relevant services and agree terms of reference for this process, including a defined time period for talks to conclude.

Dispute resolution process: ministerial level

1. In the event of a dispute being escalated to ministerial level this could be a bilateral discussion between the parties involved in the dispute, or if appropriate a multilateral discussion between ministers from all four administrations, for example where the resolution of the dispute could have an impact on other parts of the UK.
2. Relevant Ministers will review evidence provided by the administrations in dispute alongside any reports prepared by independent third parties and will seek to reach agreement on an outcome that will resolve the dispute.

Discussions will result in one of the following:

- a. Agreement resolving the dispute.
- b. Agreement to further discussions at Ministerial level.
- c. Agreement that a request should be made for further evidence from relevant officials or independent third parties.
- d. Exceptionally, a request by any party for the dispute to be escalated to the formal IGR process, agreed between the four UK governments.

Arrangements for coordinating responses to challenges/questions by other WTO members

The review process is important in the WTO Committee on Agriculture (CoA) as members are required to show that their domestic policies are in line with the AoA commitments. If they cannot provide an adequate response to other members they may face reputational damage and depending on the severity of the issue, escalation to a formal dispute process. The review process is undertaken on the basis of notifications submitted by members in compliance with Article 18.2 and 18.3 of the AoA. A Member may also request further information from another member regarding the practical implementation of a commitment under Article 18.6.

WTO CoA members are required to submit any query they have for the UK onto the Ag-IMS system. The UK will automatically be notified of these queries however, in some instances, WTO members may ask the question directly via UKMIs Geneva or seek to set up a bilateral meeting at the upcoming CoA. This will most likely occur in the 4/5 weeks following the reminder airgram for a CoA meeting and can often result in a short turnaround (10 days) to draft and clear responses for answering live on the floor at that meeting.

The Defra CoA Obligations Team along with UKMIs Geneva are responsible for monitoring Ag-IMS for member questions and co-ordinating the drafting and clearance of answers. Defra policy teams, Devolved Governments, UKMIs and OGDs will be contacted at the earliest point for drafting input if a query relates to their area of responsibility and will work together to agree responses. Members of the CoA Co-ordination Group (which includes representatives from all Parties) will have sight of responses, before they are presented at CoA. The short turnaround for drafting and clearance may sometimes mean that responses could be shared at a very late stage in the process and in close proximity to a committee. Given the high degree of sensitivity involved in preparing these responses, it is essential that all

Parties ensure that, before their publication, the responses are not shared beyond the CoA Co-ordination Group membership without first seeking approval from the Defra CoA Obligations Team. The final responses presented at CoA will be included in the CoA reports circulated by the Defra CoA Obligations Team and will be publicly available on the CoA Ag-IMS portal.

Review

- The Parties agree that this concordat will be reviewed one year after the agreement has been signed.

Signatories

- [Placeholder]

Annex i: definitions

Product coverage (reproduced from Annex 1 of the WTO AoA 10th

November 2020 (this list does not take precedence over any subsequent revisions to Annex 1 of the AoA and shall not limit the product coverage of the Agreement on the Application of Sanitary and Phytosanitary Measures.)

Number	HS code or heading		Description
(i)	HS Chapters 1 to 24 less fish and fish products, plus*		
(ii)	HS Code	2905.43	(mannitol)
	HS Code	2905.44	(sorbitol)
	HS Heading	33.01	(essential oils)
	HS Headings	35.01 to 35.05	(albuminoidal substances, modified starches, glues)
	HS Code	3809.1	(finishing agents)
	HS Code	3823.6	(sorbitol n.e.p.)
	HS Headings	41.01 to 41.03	(hides and skins)
	HS Heading	43.01	(raw furskins)
	HS Headings	50.01 to 50.03	(raw silk and silk waste)
	HS Headings	51.01 to 51.03	(wool and animal hair)

Number	HS code or heading		Description
	HS Headings	52.01 to 52.03	(raw cotton, waste and cotton carded or combed)
	HS Heading	53.01	(raw flax)
	HS Heading	53.02	(raw hemp)

* The product descriptions in round brackets are not necessarily exhaustive

Article 6.5 of the WTO AoA (the 'blue box' criteria) reproduced from the WTO AoA 10th November 2020 (this list does not take precedence over any subsequent revisions to Article 6.5 of the AoA).

5. (a) Direct payments under production-limiting programmes shall not be subject to the commitment to reduce domestic support if:
 - (i) such payments are based on fixed area and yields; or
 - (ii) such payments are made on 85 per cent or less of the base level of production; or
 - (iii) livestock payments are made on a fixed number of head.

Annex 2 of the WTO AoA (the 'green box' criteria) reproduced from the WTO AoA 10th November 2020 (this list does not take precedence over any subsequent revisions to Annex 2 of the AoA).

1. Domestic support measures for which exemption from the reduction commitments is claimed shall meet the fundamental requirement that they have no,

or at most minimal, trade-distorting effects or effects on production. Accordingly, all measures for which exemption is claimed shall conform to the following basic criteria:

- (a) the support in question shall be provided through a publicly-funded government programme (including government revenue foregone) not involving transfers from consumers; and,
- (b) the support in question shall not have the effect of providing price support to producers;

plus policy-specific criteria and conditions as set out below.

Government Service Programmes

2. General services

Policies in this category involve expenditures (or revenue foregone) in relation to programmes which provide services or benefits to agriculture or the rural community. They shall not involve direct payments to producers or processors. Such programmes, which include but are not restricted to the following list, shall meet the general criteria in paragraph 1 above and policy-specific conditions where set out below:

- (a) research, including general research, research in connection with environmental programmes, and research programmes relating to particular products;
- (b) pest and disease control, including general and product-specific pest and disease control measures, such as early-warning systems, quarantine and eradication;
- (c) training services, including both general and specialist training facilities;

- (d) extension and advisory services, including the provision of means to facilitate the transfer of information and the results of research to producers and consumers;
- (e) inspection services, including general inspection services and the inspection of particular products for health, safety, grading or standardization purposes;
- (f) marketing and promotion services, including market information, advice and promotion relating to particular products but excluding expenditure for unspecified purposes that could be used by sellers to reduce their selling price or confer a direct economic benefit to purchasers; and
- (g) infrastructural services, including: electricity reticulation, roads and other means of transport, market and port facilities, water supply facilities, dams and drainage schemes, and infrastructural works associated with environmental programmes. In all cases the expenditure shall be directed to the provision or construction of capital works only, and shall exclude the subsidized provision of on-farm facilities other than for the reticulation of generally available public utilities. It shall not include subsidies to inputs or operating costs, or preferential user charges.

3. Public stockholding for food security purposes¹³

Expenditures (or revenue foregone) in relation to the accumulation and holding of stocks of products which form an integral part of a food security programme

¹³ For the purposes of paragraph 3 of this Annex, governmental stockholding programmes for food security purposes in developing countries whose operation is transparent and conducted in accordance with officially published objective criteria or guidelines shall be considered to be in conformity with the provisions of this paragraph, including programmes under which stocks of foodstuffs for food security purposes are acquired and released at administered prices, provided that the difference between the acquisition price and the external reference price is accounted for in the AMS.

identified in national legislation. This may include government aid to private storage of products as part of such a programme.

The volume and accumulation of such stocks shall correspond to predetermined targets related solely to food security. The process of stock accumulation and disposal shall be financially transparent. Food purchases by the government shall be made at current market prices and sales from food security stocks shall be made at no less than the current domestic market price for the product and quality in question.

4. Domestic food aid¹⁴

Expenditures (or revenue foregone) in relation to the provision of domestic food aid to sections of the population in need.

Eligibility to receive the food aid shall be subject to clearly-defined criteria related to nutritional objectives. Such aid shall be in the form of direct provision of food to those concerned or the provision of means to allow eligible recipients to buy food either at market or at subsidized prices. Food purchases by the government shall be made at current market prices and the financing and administration of the aid shall be transparent.

5. Direct payments to producers

Support provided through direct payments (or revenue foregone, including payments in kind) to producers for which exemption from reduction commitments is claimed shall meet the basic criteria set out in paragraph 1 above, plus specific criteria applying to individual types of direct payment as set out in paragraphs 6 through 13 below. Where exemption from reduction is claimed for any existing or new type of direct payment other than those specified in paragraphs 6 through 13, it shall

¹⁴ For the purposes of paragraphs 3 and 4 of this Annex, the provision of foodstuffs at subsidized prices with the objective of meeting food requirements of urban and rural poor in developing countries on a regular basis at reasonable prices shall be considered to be in conformity with the provisions of this paragraph.

conform to criteria (b) through (e) in paragraph 6, in addition to the general criteria set out in paragraph 1.

6. Decoupled income support

- (a) Eligibility for such payments shall be determined by clearly-defined criteria such as income, status as a producer or landowner, factor use or production level in a defined and fixed base period.
- (b) The amount of such payments in any given year shall not be related to, or based on, the type or volume of production (including livestock units) undertaken by the producer in any year after the base period.
- (c) The amount of such payments in any given year shall not be related to, or based on, the prices, domestic or international, applying to any production undertaken in any year after the base period.
- (d) The amount of such payments in any given year shall not be related to, or based on, the factors of production employed in any year after the base period.
- (e) No production shall be required in order to receive such payments.

7. Government financial participation in income insurance and income safety-net programmes

- (a) Eligibility for such payments shall be determined by an income loss, taking into account only income derived from agriculture, which exceeds 30 per cent of average gross income or the equivalent in net income terms (excluding any payments from the same or similar schemes) in the preceding three-year period or a three-year average based on the preceding five-year period, excluding the highest and the lowest entry. Any producer meeting this condition shall be eligible to receive the payments.

- (b) The amount of such payments shall compensate for less than 70 per cent of the producer's income loss in the year the producer becomes eligible to receive this assistance.
 - (c) The amount of any such payments shall relate solely to income; it shall not relate to the type or volume of production (including livestock units) undertaken by the producer; or to the prices, domestic or international, applying to such production; or to the factors of production employed.
 - (d) Where a producer receives in the same year payments under this paragraph and under paragraph 8 (relief from natural disasters), the total of such payments shall be less than 100 per cent of the producer's total loss.
8. Payments (made either directly or by way of government financial participation in crop insurance schemes) for relief from natural disasters
- (a) Eligibility for such payments shall arise only following a formal recognition by government authorities that a natural or like disaster (including disease outbreaks, pest infestations, nuclear accidents, and war on the territory of the Member concerned) has occurred or is occurring; and shall be determined by a production loss which exceeds 30 per cent of the average of production in the preceding three-year period or a three-year average based on the preceding five-year period, excluding the highest and the lowest entry.
 - (b) Payments made following a disaster shall be applied only in respect of losses of income, livestock (including payments in connection with the veterinary treatment of animals), land or other production factors due to the natural disaster in question.
 - (c) Payments shall compensate for not more than the total cost of replacing such losses and shall not require or specify the type or quantity of future production.

- (d) Payments made during a disaster shall not exceed the level required to prevent or alleviate further loss as defined in criterion (b) above.
- (e) Where a producer receives in the same year payments under this paragraph and under paragraph 7 (income insurance and income safety-net programmes), the total of such payments shall be less than 100 per cent of the producer's total loss.

9. Structural adjustment assistance provided through producer retirement programmes

- (a) Eligibility for such payments shall be determined by reference to clearly defined criteria in programmes designed to facilitate the retirement of persons engaged in marketable agricultural production, or their movement to non-agricultural activities.
- (b) Payments shall be conditional upon the total and permanent retirement of the recipients from marketable agricultural production.

10. Structural adjustment assistance provided through resource retirement programmes

- (a) Eligibility for such payments shall be determined by reference to clearly defined criteria in programmes designed to remove land or other resources, including livestock, from marketable agricultural production.
- (b) Payments shall be conditional upon the retirement of land from marketable agricultural production for a minimum of three years, and in the case of livestock on its slaughter or definitive permanent disposal.
- (c) Payments shall not require or specify any alternative use for such land or other resources which involves the production of marketable agricultural products.

- (d) Payments shall not be related to either the type or quantity of production or to the prices, domestic or international, applying to production undertaken using the land or other resources remaining in production.

11. Structural adjustment assistance provided through investment aids

- (a) Eligibility for such payments shall be determined by reference to clearly-defined criteria in government programmes designed to assist the financial or physical restructuring of a producer's operations in response to objectively demonstrated structural disadvantages. Eligibility for such programmes may also be based on a clearly-defined government programme for the reprivatization of agricultural land.
- (b) The amount of such payments in any given year shall not be related to, or based on, the type or volume of production (including livestock units) undertaken by the producer in any year after the base period other than as provided for under criterion (e) below.
- (c) The amount of such payments in any given year shall not be related to, or based on, the prices, domestic or international, applying to any production undertaken in any year after the base period.
- (d) The payments shall be given only for the period of time necessary for the realization of the investment in respect of which they are provided.
- (e) The payments shall not mandate or in any way designate the agricultural products to be produced by the recipients except to require them not to produce a particular product.
- (f) The payments shall be limited to the amount required to compensate for the structural disadvantage.

12. Payments under environmental programmes

- (a) Eligibility for such payments shall be determined as part of a clearly-defined government environmental or conservation programme and be dependent on the fulfilment of specific conditions under the government programme, including conditions related to production methods or inputs.
- (b) The amount of payment shall be limited to the extra costs or loss of income involved in complying with the government programme.

13. Payments under regional assistance programmes

- (a) Eligibility for such payments shall be limited to producers in disadvantaged regions. Each such region must be a clearly designated contiguous geographical area with a definable economic and administrative identity, considered as disadvantaged on the basis of neutral and objective criteria clearly spelt out in law or regulation and indicating that the region's difficulties arise out of more than temporary circumstances.
- (b) The amount of such payments in any given year shall not be related to, or based on, the type or volume of production (including livestock units) undertaken by the producer in any year after the base period other than to reduce that production.
- (c) The amount of such payments in any given year shall not be related to, or based on, the prices, domestic or international, applying to any production undertaken in any year after the base period.
- (d) Payments shall be available only to producers in eligible regions, but generally available to all producers within such regions.
- (e) Where related to production factors, payments shall be made at a degressive rate above a threshold level of the factor concerned.
- (f) The payments shall be limited to the extra costs or loss of income involved in undertaking agricultural production in the prescribed area.

Annex II: Data requirements broken down per table

1. The following data lists are taken from the DS:1 notification template as prepared automatically for the UK by the WTO Secretariat through the online notification system, Agriculture Information Management System¹⁵.
2. The Parties recognise that the data required is determined by WTO requirements. These are subject to change through Member appraisal and the notification requirements stipulated in G/AG/2 may be amended. The Parties agree to meet any new data requirements as expected by the WTO.

A. **Green Box - Measures Exempt from the Reduction Commitment.**

Green Box Categories as per the AoA Annex 2:

1. General Services
 - (a). Research
 - (b). Pest and disease control
 - (c). Training services
 - (d). Extension and advisory services
 - (e). Inspection services
 - (f). Marketing and promotion services
 - (g). Infrastructural services

¹⁵ <https://agims.wto.org/en/SearchNotificationIssue/SearchResults>

(h). Other general services

3. Public stockholding for food security purposes
4. Domestic food aid
5. Direct payments to producers
6. Decoupled income support
7. Income insurance and income safety-net programmes
8. Payments for relief from natural disasters
9. Structural assistance provided through producer retirement programmes
10. Structural adjustment assistance provided through resource retirement programmes
11. Structural adjustment assistance provided through investment aids
12. Environmental programmes
13. Regional assistance programmes
14. Other direct payment

Data required for each category:

1. Name and description of measure with reference to criteria in Annex 2
2. Monetary value
3. Data Sources

Relevant table in the DS:1 notification:

- Supporting Table DS:1 (ST/DS:1)

B. Blue Box - Measures Exempt from the Reduction Commitment – Direct Payments under Production-limiting Programmes

Blue Box categories as per the AoA Article 6:

1. Payments based on fixed area and yields
2. Payments based on 85% or less of the base level of production
3. livestock payments made on a fixed number of head

Data required for each category:

1. Name and description of measure with reference to criteria in Article 6.5
2. Monetary value
3. Data Sources

Relevant table in the DS:1 notification:

- Supporting Table DS:3 (ST/DS:3)

C. Amber Box - Measures Subject to the Reduction Commitment - Direct Payments

Amber Box categories as per the AoA:

1. Calculation of the Current Total Aggregate Measurement of Support (AMS)
2. Market Price Support
3. Non-exempt Direct Payments
4. Other product specific support and Total Product-Specific AMS
5. Product-Specific Equivalent Measurements of Support
6. Non-Product-Specific AMS

Data required for each category:

1. Calculation of the Current Total AMS (ST/DS:4)
 - a. Description of basic products (including non-product specific AMS)
 - b. Product-specific AMS (from ST/DS:5 to ST/DS:7)
 - c. Product-specific EMS (from ST/DS:8)
 - d. Total (b + c)
 - e. Value of Production
 - f. Support as a % of value of production
 - g. Current Total AMS
2. Market Price Support (ST/DS:5)
 - a. Description of basic products
 - b. Reporting year
 - c. Measure type
 - d. Applied administered price
 - e. External reference price
3. Non-exempt Direct Payments (ST/DS:6)
 - a. Description of basic products
 - b. Reporting year
 - c. Measure type
 - d. Applied administered price
 - e. External reference price

- f. Eligible production
 - g. Total price-related direct payments ($d - e * f$)
 - h. Other non-exempt direct payments
 - i. Associated fees / levies
 - j. Total direct payments ($g + h - i$)
 - k. Data Sources
4. Other product specific support and Total Product-Specific AMS (ST/DS:7)
- a. Description of basic products
 - b. Reporting year
 - c. Measure type
 - d. Other product-specific budgetary outlays
 - e. Other product-specific support (include calculation details)
 - f. Associated fees / levies
 - g. Total other product-specific support ($d + e - f$)
 - h. Market price support (ST/DS:5)
 - i. Non-exempt direct payments (ST/DS:6)
 - j. Total AMS ($g + h + i$)
 - k. Data Sources
5. Product-Specific Equivalent Measurements of Support (ST/DS:8)
- a. Description of basic products
 - b. Reporting Year

- c. Measure type
- d. Applied administered price
- e. Eligible production
- f. Market price support budgetary outlays
- g. Equivalent measurement of support (include calculation details)
- h. Non-exempt direct payments
- i. Other product-specific support
- j. Associated fees/levies
- k. Total monetary value of EMS (g + h + i - j)
- l. Data Sources

6. Non-Product-Specific AMS (ST/DS:9)

- a. Measure type(s)
- b. Reporting Year
- c. Non-product-specific budgetary outlays
- d. Other non-product-specific support (include calculation details)
- e. Associated fees / levies
- f. Total non-product-specific support (c + d - e)
- g. Data Sources

Relevant table in the DS:1 notification:

- Supporting Table DS:4 (ST/DS:4)
- Supporting Table DS:5 (ST/DS:5)

- Supporting Table DS:6 (ST/DS:6)
- Supporting Table DS:7 (ST/DS:7)
- Supporting Table DS:8 (ST/DS:8)
- Supporting Table DS:9 (ST/DS:9)

Annex III: Current programmes requiring data submission by the Parties

21. The below table details the current list of programmes that the Parties hold data on. The Parties agree to continue providing this data to the UKCB as required.

Scheme	Table	Detail
Training services	ST1	Vocational training
Extension and advisory services	ST1	Advisory services Management help Technical assistance
Marketing and promotion services	ST1	Encouraging consumption of specific products
Infrastructure services	ST1	Construction and reconstruction of power lines for agricultural producers

Scheme	Table	Detail
Other farm services	ST1	Farm relief Farm management
Domestic food aid	ST1	School milk scheme
Decoupled income support		Basic payment scheme
Payment for relief from natural disasters	ST1	Reconstruction and restoration of agricultural production potential damaged by natural disasters
Structural Adjustment Assistance provided through Resource Retirement Programmes	ST1	Initial afforestation of agricultural land
Structural Adjustment Assistance provided through Investment Aids	ST1	Aid for young farmers
Environmental Programmes	ST1	Aid for environmentally sensitive areas Support and protection of organic production by creating conditions of fair competition Aid for forestry measures in agriculture Conservation and improvement of rural heritage

Scheme	Table	Detail
Regional assistance programmes	ST1	Less favoured areas
Voluntary Coupled Support	ST3	Beef Sheep and goat meat Dairy
Market price support	ST5	Skim milk powder
Extraordinary support measures	ST6	Milk Beef Sheep Pig Other livestock (rabbit, eggs) Fruit and vegetable
Specific aid	ST6	Beekeeping