OUTLINING THE DATA NEEDED FOR BASE OVERALL BLUE BOX LIMIT

STEP 1 FOR BASE OVERALL BLUE BOX LIMIT

Communication by the Cairns Group

The following communication, dated 30 September 2009, is being circulated at the request of the Cairns Group.

1. The present communication is being circulated in order to contribute to the ongoing discussion on data and templates that, once modalities are agreed, will facilitate the verification and scheduling processes and does not prejudge either the Cairns Group or its individual Members' negotiating positions on any of the issues listed below or included in the Doha Mandate.

A. INTRODUCTION

2. The purpose of this note is to identify the data needed for the base overall Blue Box limit for those Members that will schedule such an amount. The scheduling of such an amount would apply to all Members other than those NFICs (Net Food Importing Developing Countries) that avail themselves of the last sentence of paragraph 48 of the revised draft modalities (TN/AG/W/4/Rev.4). The identification of the necessary data, based on the revised draft modalities, is needed for what JOB(09)/99 and JOB(09)/104 call Step 1.

B. SUMMARY AND CONCLUSION

3. Based on the analysis below, different data are needed for Members using paragraphs 38, 48, or 51 on the one hand, and those using paragraph 39 on the other.

   (a) For Members using paragraphs 38, 48, or 51, the data needed to calculate the base overall Blue Box limit consists of the yearly amounts needed for calculating the average total value of agricultural production in a standard period, either 1995-2000 or 1995-2004. Which one of these two overlapping data sets is needed for which Member depends on whether the Member calculates its limit under paragraph 38 (1995-2000), 48 (1995-2000 or 1995-2004), or 51 (1995-2000 or 1995-2004).

   (b) For Members invoking paragraph 39, neither of the above data sets is needed. Instead, for such Members the necessary data set consists of the amount of Blue Box payments in 1995-2000 and the amount of all trade-distorting support in 1995-2000.

4. The necessary data set is thus quite small and standardized. It would seem possible to assemble this data through a template for yearly total values of agricultural production in either 1995-2000 or 1995-2004, with particular features to accommodate the need for data on Blue Box payments in 1995-2000 and all trade-distorting support in 1995-2000.
C. **Analysis**

5. The data needed to calculate the overall Blue Box limit for developed country Members are those indicated in paragraph 38 (other than for those developed country Members to which paragraphs 39 or 51 apply – see below). This data set consists of the yearly amounts needed for calculating the average total value of agricultural production in 1995-2000, on the basis of notifications to the Committee on Agriculture where they exist. This would seem to indicate a need to assemble data on the basis of other sources than notifications where notifications do not exist.

6. A Member meeting the criteria of paragraph 39 calculates its overall Blue Box limit differently. The criteria that the Member needs to demonstrate that it meets are based on the amount of Blue Box payments (those satisfying Article 6.5 of the Agreement on Agriculture) in 1995-2000 and the amount of trade-distorting support in 1995-2000. The latter would seem to include all support that does not conform with Annex 2 of the Agreement on Agriculture (i.e. the sum of Current Total AMS, all de minimis AMSs, all Blue Box payments, and all Article 6.2 support). If the share of Blue Box payments in all trade-distorting support in 1995-2000 was at least 40 percent, the Member's base overall Blue Box limit is the average amount of Blue Box payments in 1995-2000. The necessary data sets thus consist of the amount of Blue Box payments in 1995-2000 and the amount of all trade-distorting support in 1995-2000.

7. **RAMs** (Recently Acceded Members), whether developed or developing country Members, can avail themselves of paragraph 51. The overall Blue Box limit in this case is calculated similarly to that of paragraph 38, except that the Member can choose to use the 1995-2000 or 1995-2004 average total value of agricultural production. The necessary data set consists of the yearly amounts needed for calculating the average total value of agricultural production in either 1995-2000 or 1995-2004.

8. The data needed to calculate the overall Blue Box limit for developing country Members are those indicated in the first sentence of paragraph 48. This data set consists of the yearly amounts needed for calculating the average total value of agricultural production in either 1995-2000 or 1995-2004.