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POSITION PAPER BY GREAT MISSION GROUP CONSULTANCY (GMGC)

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The AoA, negotiated during the Uruguay Round (1986-1993), seeks to create a fair and market-oriented agricultural trading system. As part of this agreement, WTO members commit to specific disciplines on domestic support, export subsidies, and market access. For India, where agriculture plays a crucial role in livelihoods and sustenance, the challenge lies in navigating these regulations while safeguarding its food security objectives.

Balancing food security and compliance with WTO regulations is a complex task for India. On one hand, the country seeks to protect its farmers and ensure a stable food supply for its population. On the other hand, WTO regulations, particularly those related to subsidies, necessitate adherence to international trade norms to prevent trade distortions and maintain a level playing field among member nations.

India's commitment to the WTO reflects its recognition of the importance of global trade cooperation. However, the nation also contends with the responsibility of addressing the socio-economic needs of its citizens, especially in the context of a predominantly agrarian society. Striking a harmonious balance between these objectives requires nuanced policy approaches and collaborative efforts within the WTO to address the unique challenges faced by developing economies like India.

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The Green Box represents subsidies that are considered non-distorting and are permissible under the Agreement on Agriculture (AoA). These subsidies have either no or minimal trade-distorting effects and are deemed compatible with fair trade practices. Green Box measures include support for research and development, environmental protection, and direct income support to farmers that doesn't distort production or trade.

Examples of Green Box subsidies include investments in infrastructure, pest control, and income support that is decoupled from current production levels. The rationale behind allowing Green Box subsidies is to encourage practices that contribute to sustainable agriculture and environmental protection without adversely affecting global trade dynamics.

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The Amber Box represents subsidies that are considered trade-distorting and have the potential to distort production, trade, and investment. These subsidies are subject to reduction commitments under the AoA to prevent unfair advantages in international trade. Amber Box measures include price supports, input subsidies, and payments based on current production levels.

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The disparities in subsidies provided by developed and developing countries are a central concern within the WTO. While Green Box subsidies are meant to promote sustainable and non-distorting practices, the issue arises when examining the significant levels of Amber Box subsidies granted by developed nations. These subsidies can create an uneven playing field, as developing countries may face challenges in competing with the artificially subsidized agricultural products from developed economies.

Developed countries, with larger financial capacities, often provide higher levels of trade-distorting subsidies, impacting the global agricultural market. This disparity has economic implications for

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Addressing these disparities is crucial for fostering equitable trade practices and promoting the sustainable development of agriculture in developing nations. It calls for collaborative efforts within the WTO to reform subsidy policies and establish a more level playing field for all member countries.

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The Aggregate Measure of Support (AMS) entitlements, as outlined in the Agreement on Agriculture (AoA) within the World Trade Organization (WTO), quantifies the level of support provided to the agricultural sector by member countries. It includes both domestic support and export subsidies. The analysis reveals a significant disparity in global AMS entitlements, with developed countries holding over 90% of the total entitlements.

Developed nations, characterized by their higher economic capacities, have historically been able to allocate substantial resources to support their agricultural sectors. This disproportionate distribution of AMS entitlements underscores the challenges faced by developing countries in competing on a level playing field in the global agricultural market. The sheer magnitude of entitlements held by developed countries can distort market dynamics, giving them a competitive advantage that may undermine the agricultural sectors of less affluent nations.

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In response to the observed historical imbalances in AMS entitlements, India has consistently advocated for corrective measures within the WTO framework. The call for correction is grounded in the recognition that these imbalances perpetuate an uneven playing field, hindering the fair treatment of developing nations, particularly those with agrarian economies.

By calling for corrective action, India aims to challenge the status quo and bring attention to the ne



associated with failure and mounting debts can further isolate them, leaving them feeling helpless and alone.

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India's position on agricultural subsidies carries a humanitarian imperative, especially in the

By ensuring fair and reasonable prices for agricultural produce through MSP, we can uplift farmers from the depths of despair and offer them a ray of hope. This humanitarian gesture would not only improve the lives of farmers but also contribute to the overall well-being of society. It is our duty to stand alongside farmers, support their livelihoods, and create a more just and equitable world.

As individuals, we can contribute to this cause by raising awareness about the challenges faced by farmers and advocating for their rights. It is essential to support initiatives that promote fair trade practices, protect farmers' income, and prioritize their well-being. Together, we can make a difference and create a future where farmers are valued, respected, and provided with the support they need to thrive.