



## **Structure for Discussion**

### ***Introduction***

In the Hong Kong Ministerial Declaration, Ministers reaffirmed their commitment to review

understandable concern that this should not end up functioning, paradoxically, in a counter-productive manner, e.g. as a deterrent to moving more and more support into the Green Box. There is, for instance, a genuine "newcomer" issue which would need to be worked through. It has also been

This is not the place to consider what the rationale for this distinction would have been. But, it is, in my view at least, surely legitimate to thoroughly test whether this is something that we really wish to persist with this time around. I think a further, crucial, consideration here (and, of course, the same general point is applicable elsewhere but it seems particularly pertin

Another suggestion has been to amend the last sentence of paragraph 5 thereby requiring that direct payments exempt from reduction commitments conform to (a revised) criterion 6(a) in addition to criteria 6(b) through (e) of paragraph 6. This has been met by a firm view from some Members that the current paragraph 5 should be maintained as is. But while this is formally related to paragraph 5 it is in fact essentially all about the proposed change in paragraph 6(a) – see below.

6. *Decoupled income support*

Changes have been suggested to constrain some of the eligibility criteria for developed countries and to make the indicative list in 6(a) a closed list. At the same time it has been proposed, however, to make allowance for the situation of developing country Members not previously users of the Green Box. Also, some participants favoured the addition of the criteria that land, labour or any other factor of production should not be required to be in 'agricultural use' in order to receive payments. It was also proposed that an additional sub-paragraph (f) be added to paragraph 6 to reflect that direct payments under paragraph 6 should not be made along with Amber Box or Blue Box support if the total value of support exceeds a certain percentage of the annual value of production of a given product.

There has been firm resistance to altering the criteria in those ways that might be described as "constraining" in nature, particularly as regards the proposal on sub-paragraph (f).

Consistent with the comments in the general section above, I have discerned an openness to deal with the issue of new users of the Green Box. Indeed the point has been made that this may not only be an issue for developing countries but also for some developed countries too. It should be feasible to develop an approach that deals with this situation consistent with a preferred orientation of moving to a fixed and unchanging concept. It may well be that notification and surveillance will be particularly helpful in this regard.

*Paragraphs 7 through 13*

There have been various technical proposals made in respect of these paragraphs. To this point it would be fair to say there has not been an exhaustive technical discussion of these. It would also be fair to say that this has at least in part been a reflection of a more generally expressed concern on the part of some Members that there not be the appearance of a more generalized set of changes to the Green Box. So we have not gone down into real detail. It is for consideration whether there should now be, without prejudice to where we come out on this, a more specific technical review of these proposals. If so, we would find an appropriate time for an expert review. Pending a procedural decision on that, it is not at this point proposed to orient our discussion on those points immediately but to focus on the elements noted above.