

WORLD TRADE ORGANIZATION

G/AG/N/ZAF/21
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(98-4410)

Committee on Agriculture

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NOTIFICATION

The attached notification concerning domestic support commitments for 1997 (**Table DS:1** and the relevant Supporting Tables) was received from the delegation of **South Africa** on 5 November 1998.

Table DS:1

DOMESTIC SUPPORT: South Africa**REPORTING PERIOD*: 1997***Current Total Aggregate Measurement of Support*

Total AMS commitment level for period in question	Currency	Current Total AMS
(from Section 1 of Part IV of the Schedule)	(from Section 1 of Part IV of the Schedule)	(from attached Supporting Tables)
1	2	3
2,267.35	Million Rand	2,198.30

*Marketing years as indicated in Supporting Table DS:5.

DOMESTIC SUPPORT: South Africa**REPORTING PERIOD: 1997***Measures exempt from the reduction commitment – "Green Box"*

Measure Type	Name and description of measure with reference to criteria in Annex 2	Monetary value of measure in year in question million Rand	Data Sources
1	2	3	4
1. General Services	(i) Erection of waterworks (Infrastructure): To construct approved waterworks to enable producers to utilise land more effectively.	1.405	Department of Agriculture
	(ii) Resource conservation and environmental management: To promote sustainable utilisation of the natural agricultural resources, viz, the soil, water resources and vegetation and protect the environment.	165.657	
	(iii) Veterinary Services: To promote animal production, animal health and the quality of the products of animals through the determination of norms and standards as well as co-ordination and rendering of services.	276.111	
	(iv) Phytosanitary Services and Quality Control: To promote crop production and quality of plant products through the determination of norms and standards as well as the co-ordination and rendering of services.	29.215	
	(v) Agro-economic services: To promote the optimum utilisation of production factors, regulate and co-ordinate the marketing of and marketing policy i.r.o agricultural products, provide information and advice on agricultural economic trends and regulate the co-operative movement.	55.665	
	(vi) Auxiliary and associated services: To render auxiliary services associated with distribution of information, liaison between agricultural industries, library services and contract research by institutions, in-service training, international liaison, government transport and contribution to soil conservation activities.	119.381	
	(vii) Agricultural research Contribution towards the expenditure, training, depreciation, salaries and maintenance of the Agricultural Research Council and provincial budgets with the overall purpose of agricultural research.	518.350	
	(viii) Extension and Training (new item: see G/AG/N/ZAF/22)	371.098	

1	2	3	4
	(ix) Administration: To conduct the overall management of the Department of Agriculture and render specialised administrative services (includes policy formulation functions, management and advisory services, personnel and financial services and legal services).	647.105	
2. Payment for relief from natural disasters	(i) Subsidies for Flood disaster: To enable producers to return to the position they held prior to flood damage.	12.393	Department of Agriculture
	(ii) Disaster Drought Aid: Disaster aid to farmer co-operatives and farmers in disaster drought to prevent the collapse of the rural infrastructure as a result of low income and bankruptcies and to enable producers to continue with production.	44.681	
	(iii) Stock feed purchases incentives: To enable producers to maintain a nuclear herd during an extended drought.	0	
	(iv) Transport of livestock and fodder: To enable producers in drought stricken areas to continue to feed their livestock.	0	
	(v) Transport of water: Aid to cattle and human in drought stricken areas.	0	
	(vi) Water quota subsidies: To enable producers on irrigation schemes to survive during drought conditions to enable them to keep their farm labourers and to prevent collapse of the infrastructure of the region.	2.580	
	(vii) Fire damage subsidy: Compensation for losses with disaster fire damages	0	
	(viii) Subsidy for the prevention of sequestration: To prevent the sequestration, as far as possible, of farmers with the possible ability to recover, thereby retaining them for agriculture.	0	
	(ix) Co-ordinated refunding of unmanageable debt (subsidy): If possible, to place on the road to financial recovery all farmers who followed sound and correct farming and financial practices, but who, as a result of a combination of factors beyond their control, such as drought and economic down turns, have incurred too much debt or who experienced a continuing deteriorating debt situation. This is to be done with the aid of the co-ordinated action of all financiers.	0	
	(x) Boreholes: Sinking of boreholes in times of drought for stock.	0	
	(xi) Interim Natural Grazing Recovery Scheme: This is a interim measure until a natural grazing recovery scheme comes in to effect to assist livestock farmers who, in specific areas are compelled to allow their natural grazing that has been damaged by prolonged drought, the necessary time to recover.	0	

1	2	3	4
3. Structural adjustment: resource programmes	(i) Conversion of marginal lands: To enable producers to reduce marginal ploughed lands where crop production is risky and to convert it into more suitable pastures (although lower income potential) for the specific climate (normally drier areas).	10.000	Department of Agriculture
4. Environmental programmes	(i) Soil conservation works: The financing of essential soil conservation works to improve and protect the soil.	51.587	Department of Agriculture
5. Regional assistance programmes	(i) Development aid: To assist producers in undeveloped and disadvantaged areas with development aid to encourage agricultural and rural development as an integral part of the development programme.	201.662	Department of Agriculture
6. Other	(iii) Aid to Farmer Co-operatives: Aid to Farmer Co-operatives in financial difficulty caused by drought and economic down turns. The purpose for the aid is to retain the infrastructure in the rural economy in designated areas.	0	
	(iv) Subsidies for a special assistance scheme for beekeepers: To compensate beekeepers who suffered losses as a result of the infiltration of Cape intruder bees, for expenses incurred in the re-establishment of bee colonies.	0	
GRAND TOTAL		2,506.890	

Supporting Table DS:4

DOMESTIC SUPPORT: South Africa**REPORTING PERIOD: 1997***Calculation of the Current Total Aggregate Measurement of Support*

Description of basic products * (including non-product specific AMS)	Product specific AMS (from Supporting Tables DS:5 to DS:7 below) million Rand	Product-specific measurements of support (from Supporting Table DS:8 below) million Rand	Current Total AMS (aggregate) million Rand
1	2	3	4
Wheat	1,160.22		1,160.22
Sugar	928.02		928.02
Tobacco	27.13		27.13
Cotton	33.74		33.74
Tea	49.19		49.19
Total non-product-specific AMS (from Supporting Table DS:9 below)			<i>de minimis</i>
TOTAL: Current Total AMS			2,198.30

* Maize: The support price for maize, which appeared in 1995 and 1996, was phased out before this reporting period.

DOMESTIC SUPPORT: South Africa**REPORTING PERIOD: 1997***Product-Specific Aggregate Measurements of Support: Market Price Support*

Description of basic products	Marketing year beginning ...	Measure type(s)	Applied administered price	External reference price (generally from G/AG/W/30)	Eligible production	Associated fees/levies	Total market price support	Data sources
			Rand/tonne	Rand/tonne	'000 tonnes	million Rand	million Rand	
1	2	3	4	5***	6	7	8 ((4-5*6)-7)	9
Wheat	1 November 1996	Price support	966.02	533.71	2,712.0	12.20	1,160.22	Department of Agriculture
**Sugar	1 April 1997	Price support	2,187.50	933.08	1,233.0		928.02	Department of Agriculture
Tobacco	1 May 1997	Price support	15,260.00	14,232.39	26.4		27.13	Department of Agriculture
Cotton	1 April 1997	Price support	7,960.00	6,755.56	31.1	3.72	33.74	Department of Agriculture
Tea	1 July 1997	Price support	14,670.00	9,264.42	9.1		49.19	Department of Agriculture
							2,198.30	

**Sugar support was multiplied with a factor of 0.6 to convert the industry support to a cane growers proportion (60%) of support. In calculating the AMS, quality differences have not been taken into account in comparing the "Administered Price" (Refined sugar) and the External Reference Price in the base period (mainly Raw sugar)

***Exchange Rates of Rand to the US Dollar which were used to calculate the External reference price: 1986-88: 2.1973
1997: 4.6073

DOMESTIC SUPPORT: South Africa**REPORTING PERIOD: 1997***Product-Specific Aggregate Measurements of Support: Non-Exempt Direct Payments*

Description of basic product	Marketing year beginning...	Measure type(s)	Applied administered price	External reference price (generally from G/AG/W/30)	Eligible production	Total price- related direct payments	Other non- exempt direct payments	Associated fees/levies	Total direct payments	Data sources
			Rand/tonne	Rand/tonne	'000 tonnes		million Rand		million Rand	
1	2	3	4	5	6	7 ((4-5)*6))	8	9	10 (7+8-9)	11
No Non-Exempt Direct Payment was made to the industries.										

DOMESTIC SUPPORT: South Africa**REPORTING PERIOD: 1997***Product-Specific Aggregate Measurements of Support: Other Product-Specific Support and Total Product-Specific AMS*

Description of basic product	Calendar / marketing year beginning...	Measurement type(s)	Other product-specific budgetary outlays	Other product specific support (include calculation details)	Associated fees/levies	Total other product-specific support	Market price support (Supporting Table DS:5) million Rand	Non-exempt direct payments (Supporting Table DS:6) million Rand	Total AMS million Rand	Data sources
1	2	3	4	5	6	7 (4+5-6)	8	9	10 (7+8-9)	11
Wheat	1 November 1996	Price support					1,160.22	0.00	1,160.22	Department of Agriculture
Sugar	1 April 1997	Price support					928.02	0.00	928.02	Department of Agriculture
Tobacco	1 May 1997	Price support					27.13	0.00	27.13	Department of Agriculture
Cotton	1 April 1997	Price support					33.74	0.00	33.74	Department of Agriculture
Tea	1 July 1997	Price support					49.19	0.00	49.19	Department of Agriculture
									2,198.30	

Supporting Table DS:9

DOMESTIC SUPPORT: South Africa**REPORTING PERIOD: 1997***Non-Product-Specific AMS*

Measure type(s)	Financial year	Non-product-specific budgetary outlays million Rand	Other non-product specific support (include calculation details)	Associated fees/levies	Total non-product-specific support million Rand	Data sources
1	2	3	4	5	6 (3+4-5)	7
1. Fuel and administrative cost to co-operatives	1997/98	0			0	Department of Agriculture
2. State Guaranteed Scheme (Land and Agricultural Bank)	1997/98	16.93			16.93	Department of Agriculture
3. Interest Subsidy to Co-operatives	1997/98	0			0	Department of Agriculture
4. Interest Subsidies to producers	1997/98	36.39			36.39	Department of Agriculture
5. Fuel subsidy	1997/98	0			0	Department of Agriculture
6. Resource Allocation	1997/98	247.07			247.07	Department of Agriculture
7. Farm labourer housing	1997/98	0.24			0.24	Department of Agriculture
Total Non-Product-Specific AMS:					300.63 (<i>de minimis</i>)	
Total value of agricultural production (Economic Review of the SA Agriculture, Department of Agriculture, Directorate: Statistics):					47,728.00	
Non-product-specific domestic support as percentage of total value of production:					0.63%	