

# WORLD TRADE ORGANIZATION

RESTRICTED

**G/SCM/Q2/HUN/5**

8 October 1996

(96-4086)

**Committee on Subsidies and Countervailing Measures**

Original: Spanish

## SUBSIDIES

### Questions from ARGENTINA Regarding the New and Full Notification of HUNGARY<sup>1</sup>

The following communication, dated 20 September 1996, has been received from the Permanent Mission of Argentina.

## QUESTIONS TO HUNGARY

1. In the case of the programme of corporate tax concessions for companies with foreign participation, could Hungary specify whether the obtention of these concessions depends on exports, within the meaning of Annex I, paragraph (f), of the Subsidies Agreement?
2. In the case of the programmes of tax concessions to promote export-oriented product development, could Hungary state whether it will comply with the time-limit provided for in Article 29.2 of the Subsidies Agreement for the phasing out of the programmes?
3. In the case of the Central Fund for Technical Development, could Hungary specify the research and development costs covered by the subsidies programme, as well as the percentage of the total costs of the project covered by the subsidy, as provided for in Article 8.2(a) of the Subsidies Agreement?
4. In the case of the Territorial Development Fund, could Hungary identify the regions benefitting from the programme, as well as the criteria used to select them, in accordance with Article 8.2(b) of the Subsidies Agreement?
5. Agricultural promotion programme:  
  
What will be the duration of the programme?  
  
When will statistical data be available in order to be able to evaluate the trade effects and calculate the margin of subsidy?
6. Price support programme:

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<sup>1</sup>G/SCM/N/3/HUN + Suppl.1.

When will it be possible to provide sufficient data to be able to calculate the trade effects and subsidy margin per product?

7. Agricultural funds:

(a) Stock-Breeding Fund. There is no information on the time-periods or data for calculating the effects. It is stated that it covers 50 per cent of the cost, without specifying.

(b) Fishery. The time-period and trade effects are not indicated.

8. Agricultural subsidies. A subsidy of 10 percentage points of the interest rate on loans is mentioned: but what are the trade effects and the margin of subsidy?