

WORLD TRADE ORGANIZATION

G/AG/N/CAN/44

14 June 2001

(01-3065)

Committee on Agriculture

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French

NOTIFICATION

The attached notification concerning new or modified domestic support measures exempt from reduction (**Table DS:2**) was received from the delegation of **Canada** on 11 June 2001.

Table DS:2

DOMESTIC SUPPORT: CANADA

*Notification under Article 18:3 of the Agreement:
New or modified domestic support measures exempt from reduction*

(1) Full title of measure:

Farm Environmental Stewardship Program (New Brunswick)

(2) Domestic legislation reference:

1989 Clean Water Act

(3) Detailed description of measure with reference to criteria, i.e. those in:

This program is to assist farmers in the adoption of technology and management practices to minimize the impact of agricultural practices and activities on the environment. There are two components to the program: Watercourse Protection and Chemical Management.

Objectives and activities under the Watercourse Protection component include:

- the construction of appropriate fencing along watercourse buffer zones to control livestock and maintain watercourse buffer zones to improve water quality;
- to prevent degradation of water quality by protecting watercourses from livestock and/or machinery by establishing a water source for livestock away from the watercourse or constructing suitable watercourse crossings for livestock and/or machinery (excluding a farm bridge); and,
- to improve water quality by reducing nutrient and sediment losses by stabilizing stream banks along environmentally sensitive watercourses through the establishment of appropriate riparian buffer strips and construction of complementary river bank protective systems as required to protect watercourses and prime agricultural land from bank erosion.

Objectives and activities under the Chemical Management component include:

- assistance for necessary equipment to mix and prepare chemicals for crop application at the field site rather than at the water source site to eliminate the potential pollution of water sources during mixing of chemicals; and,
- assistance for storage facilities specifically designed for the safe storage of hazardous materials to minimize possible health and environment hazards.

The program is available to producers or groups of producers. All projects must meet all environmental laws and regulations and require prior approval by New Brunswick regulatory bodies before financial assistance is approved.

Financial assistance is 50% of the approved project costs up to a maximum of \$8,000 per year.

The program conforms to the general criteria of Paragraph 1 of Annex 2 of the Agreement on Agriculture:

- a) The program is provided through a publicly funded government program not involving transfers from consumers; and
- b) The program does not have the effect of providing price support to producers.

The activities meet the policy specific criteria under Paragraph 12 (environmental programmes) of Annex 2 of the Agreement on Agriculture. All projects must meet all environmental laws and regulations and require prior approval by New Brunswick regulatory bodies. Partial assistance (50%) up to a maximum of \$8,000 per year is provided to offset the incremental cost of implementing the environmental initiatives.

(4) Cost of measure:

The total estimated cost of the program is \$350,000.

(5) Date of entry into effect:

The program entered into effect in fiscal year April 1, 1997 and terminates on March 31, 1999.

(6) Period of application:

Two years.

(7) Products to principally benefit (if any individual product(s)):

All commodities.

Table DS:2

DOMESTIC SUPPORT: CANADA

*Notification under Article 18:3 of the Agreement:
New or modified domestic support measures exempt from reduction*

(1) Complete designation of measure

Programme agroenvironnemental de soutien à la Stratégie phytosanitaire (Québec)

(2) National reference legislation

Entente de concertation Canada-Québec Plan d'action Saint-Laurent Vision

(3) Detailed description of measure with reference to the criteria

The program aims to protect, preserve and promote the Saint-Lawrence River, as well as to introduce agricultural environmental pest management practices, to reduce the use of agricultural pesticides by 50 percent and to apply integrated pest management control to 70% of crop areas. Achieving these goals will contribute to reducing stream pesticide contamination, and to preserving aquatic life and drinking water.

This program provides assistance to pilot projects that aim at promoting development and technology transfer activities that focus on reducing pesticide amounts and environmental risks linked to the use of pesticides as part of integrated pest management systems. In addition, qualifying projects must be collective, and include a transfer or applicability potential for many producers.

Financial support covers 80% of the development project costs, and 90% of the technology transfer project costs. Maximum amounts disbursed are \$30,000 for a one-year project or \$50,000 for a two-year project.

The program conforms to the general criteria of Paragraph 1 of Annex 2 of the Agreement on Agriculture:

- a) The program is provided through a publicly funded government program not involving transfers from consumers; and
- b) The program does not have the effect of providing price support to producers.

In addition, it meets the policy specific criteria under Paragraph 2(a) and (d) of Annex 2 of the Agreement on Agriculture under the General Services category. Expenditures under the program do not involve direct payments to producers or processors.

(4) Cost of measure

The total cost of the program is \$2.5 million (\$500,000/year).

(5) Effective date

This program came into effect on June 8, 1998.

(6) Implementation period

Five years. This program terminates on March 31, 2003.

(7) Main beneficiary products (where applicable, specific products)

Field crops (grain, corn, soy), apples and potatoes.

Table DS:2

DOMESTIC SUPPORT: CANADA

*Notification under Article 18:3 of the Agreement:
New or modified domestic support measures exempt from reduction*

(1) Full title of measure:

Agri-Food Research and Development Initiative (ARDI) (Manitoba)

(2) Domestic legislation reference:

Farm Income Protection Act, Subsection 12(5)

(3) Detailed description of measure with reference to criteria, i.e. those in:

The Agri-Food Research and Development Initiative (ARDI) provides contributions to fund agricultural research and development projects related to value-added processing, diversification, new technologies and market opportunities in Manitoba. Activities undertaken may include general and specific research projects; marketing and promotion projects; extension and advisory; and training. Eligible program areas include commodities that are well-established and present additional growth or development; new or alternative commodities that present opportunities for development; innovative development of machinery or equipment for production or processing enhancement; biotechnology; and, sustainability of the resource base and the environment. ARDI is administered by the Manitoba Association of Agricultural Societies.

The program conforms to the general criteria of Paragraph 1 of Annex 2 of the Agreement on Agriculture:

- a) The program is provided through a publicly funded government program not involving transfers from consumers; and
- b) The program does not have the effect of providing price support to producers.

The activities meet the policy specific criteria under various sub-components of Paragraph 2 of Annex 2 of the Agreement on Agriculture under the General Services category. Expenditures under the program do not involve direct payments to producers or processors.

(4) Cost of measure:

The total estimated cost of the program is \$22.5 million.

(5) Date of entry into effect:

The program entered into effect in fiscal year April 1, 1997.

(6) Period of application:

The program will remain in effect for five years. It terminates on March 31, 2003.

(7) Products to principally benefit (if any individual product(s)):

All commodities.

Table DS:2

DOMESTIC SUPPORT: CANADA

*Notification under Article 18:3 of the Agreement:
New or modified domestic support measures exempt from reduction*

(1) Full title of measure:

Alberta Environmentally Sustainable Agriculture

(2) Domestic legislation reference:

Government Reorganization Act

(3) Detailed description of measure with reference to criteria, i.e. those in:

The objective of the Alberta Environmentally Sustainable Agriculture (AESA) program is to enhance adoption of environmentally sustainable practices by the agriculture and processing sectors. It addresses a broad range of environmental issues including soil, water and air quality and biodiversity.

The AESA program provides funding and technical assistance to transfer new technology and information to farmers, ranchers and processors; to conduct research to enhance the adoption of environmentally sustainable practices; and, to monitor the impact of the agri-food industry on soil and water quality.

There are four components: Farm Based, Resource Monitoring, Research and Processing Based.

The Farm Based component provides financial, professional and technical assistance to support integrated municipal environment planning, technology transfer, integrated farm resource management. Eligible projects include those that promote the reduction of the impacts of agricultural production on soil, water, biodiversity and air resources, and increase efficiency of the use of energy and other inputs. Funds are provided on a cost shared basis to a maximum of 75% of total costs. (Paragraph 2(d))

The Resource Monitoring component monitors change on the quality of soil and water resources as affected by the agri-food industry. Monitoring is required to increase knowledge of the impact of industry practices on the environment and to monitor progress in reducing these effects. (Paragraph 2 (d))

The Research component supports applied research to develop better management practices and technologies for the crops, livestock and agricultural processing. Emphasis is placed on multi-disciplinary, integrated research studies to reduce the effects of agricultural production and processing systems on soil, water, air and biodiversity resources and to reduce waste. (Paragraph 2(a))

The Processing Based component provides assistance for education and training initiatives, industry development projects including feasibility studies, environmental impact assessments, engineering consulting, waste management assessment services, packing development advice and technology transfer.

The program conforms to the general criteria of Paragraph 1 of Annex 2 of the Agreement on Agriculture:

- a) The program is provided through a publicly funded government program not involving transfers from consumers; and
- b) The program does not have the effect of providing price support to producers.

The activities meet the policy specific criteria under various components Paragraph 2 of Annex 2 of the Agreement on Agriculture. Expenditures under the Farm Based, Resource Monitoring and Research components do not involve direct payments to producers or processors. The Processing Based component involves direct payments to processors and have been included as non-product specific support in the Aggregate Measurement of Support (AMS) in Supporting Table DS:9 under provincial programs.

(4) Cost of measure:

The maximum annual cost of the program is \$5 million.

(5) Date of entry into effect:

The program entered into effect in fiscal year April 1, 1997.

(6) Period of application:

On-going

(7) Products to principally benefit (if any individual product(s)):

All commodities and products.

Table DS:2

DOMESTIC SUPPORT: CANADA

*Notification under Article 18:3 of the Agreement:
New or modified domestic support measures exempt from reduction*

(1) Full title of measure:

Canada-Alberta Value Added Industry Development Fund

(2) Domestic legislation reference:

Farm Income Protection Act, Subsection 12(5) (for federal payments)
Government Reorganization Act and Financial Administration Act (for provincial payments)

(3) Detailed description of measure with reference to criteria, i.e. those in:

This program provides for research and development of the value-added agriculture sector in Alberta. Activities are limited to those that initiate, develop and implement projects which stimulate and enhance the research and development capacity of the agriculture value-added sector; and assist with co-ordination and prioritization of research and product. Recipients of funding may include research institutes and universities, consultants and associations.

The program conforms to the general criteria of Paragraph 1 of Annex 2 of the Agreement on Agriculture:

- a) The program is provided through a publicly funded government program not involving transfers from consumers; and
- b) The program does not have the effect of providing price support to producers.

In addition, it meets the policy specific criteria under Paragraph 2(a) of Annex 2 of the Agreement on Agriculture under the General Services category. Expenditures under the program do not involve direct payments to producers or processors.

(4) Cost of measure:

The total estimated cost of the program is \$25 million.

(5) Date of entry into effect:

The program entered into effect on May 5, 1998.

(6) Period of application:

The program will remain in effect for five years, terminating on March 31, 2003.

(7) Products to principally benefit (if any individual product(s)):

All commodities.

Table DS:2

DOMESTIC SUPPORT: CANADA

*Notification under Article 18:3 of the Agreement:
New or modified domestic support measures exempt from reduction*

(1) Full title of measure:

British Columbia Whole Farm Insurance Program (WFIP)

(2) Domestic legislation reference:

This program is given effect under the *Farm Income Insurance Act RSBC C130, 1996* of British Columbia.

(3) Detailed description of measure with reference to criteria:

The Province of British Columbia has implemented a whole farm income based safety net for British Columbia producers called the Whole Farm Insurance Program (WFIP). The first payments under the program were made in the 1998-99 fiscal year based on the 1997 tax year (defined as a financial year for a producer that ends at any time in 1997).

In the 1997 and 1998 tax years, the program operated in the same manner as the other provincial disaster programs notified in G/AG/N/CAN/8 and G/AG/N/CAN/29. It represents the provincial component of the Agricultural Income Disaster Assistance (G/AG/N/CAN/36) and the Canadian Farm Income Program (G/AG/N/CAN/40) which are cost-shared programs between the federal and provincial governments.

(4) Cost of measure:

Payments under WFIP will not exceed \$16.8 million in any fiscal year (April 1st to March 31st).

FY1998-99 (based on the 1997 tax year):	\$9.500 million
FY1999-00 (based on the 1998 tax year):	\$16.604 million

(5) Date of entry into effect:

The first year of the program covered income in the 1997 taxation year. Payments started in the 1998-99 fiscal year (reported in the notification concerning support commitments for 1998).

(6) Period of application:

The first three years of the program are reported separately. Expenditures relating to the 2000 tax year will be included in the expenditures under the Canadian Farm Income Program.

(7) Products to principally benefit (if any individual product(s)):

WFIP is a whole farm income safety net program. All producers of all agricultural commodities are eligible.
