

WORLD TRADE ORGANIZATION

RESTRICTED

G/SCM/Q2/USA/7

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Committee on Subsidies and Countervailing Measures

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SUBSIDIES

Questions from CANADA Regarding the New and Full Notification of the UNITED STATES¹

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

The following are questions regarding the notification of the United States made pursuant to Article XVI:1 of the GATT 1994 and Article 25 of the Agreement on Subsidies and Countervailing Measures. The questions relate mainly to R&D and agricultural programmes.

1. Under the six R&D programmes notified, what types of costs are typically eligible for funding?
2. In the case of notified R&D programmes where there is joint participation; i.e. private companies and government agencies (i.e. NASA), is the participation equally shared? What proportion of funding has involved the participation of consortia?
3. To what extent, if at all, do any of the programmes, with the exception of agricultural programmes, involve shared-cost arrangements with the United States?
4. In terms of agricultural programming, would the Government of the United States clarify the objective of the Mandated Export Sales of Dairy Stocks given that the mandated minimum sales were eliminated by the Uruguay Round Agreements Act of 1994. Under what circumstances might the Secretary exercise discretionary authority to sell CCC-owned dairy stocks into the export market?
5. The Government of the United States has stated that US grain imports were not likely to increase meaningfully if price support programmes were eliminated and grain prices fell because the United States is a grain exporting country. To what extent have price support programmes encouraged excess production?

¹G/SCM/N/3/USA+ Corr. 1.