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Committee on Agriculture

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NOTIFICATION

The following submission, dated 14 December 2021, is being circulated at the request of the delegation of **the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu**. The notification concerns domestic support commitments (**Table DS:1** and the relevant supporting tables) for the **Calendar Year 2019**.

Table DS:1

DOMESTIC SUPPORT: THE SEPARATE CUSTOMS TERRITORY OF TAIWAN, PENGHU, KINMEN AND MATSU

REPORTING PERIOD: CALENDAR YEAR 2019

Current Total Aggregate Measurement of Support

Total AMS commitment level	Currency	Current Total AMS
(from Section I of Part IV of the Schedule)	(from Section I of Part IV of the Schedule)	(from attached Supporting Tables)
1	2	3
14,165.15	TWD/million	9,389.63

Supporting Table DS:1

DOMESTIC SUPPORT: THE SEPARATE CUSTOMS TERRITORY OF TAIWAN, PENGHU, KINMEN AND MATSU

REPORTING PERIOD: CALENDAR YEAR 2019

Measures exempt from the reduction commitment - "Green Box"

Measure Type	Name and description of measure with reference to criteria in Annex 2	Monetary value TWD, million	Data Sources	Note
1	2	3	4	
2. General Services				
2 (a). Research	General research, research in relation to environmental programmes and product-specific research programmes. (Annex 2, paragraph 2(a))	3,793.63	Documents of budget	
	Subtotal:	3,793.63		
2 (b). Pest and disease control	Pest and disease prevention: General and product-specific pest and disease control measures and schemes. (Annex 2, paragraph 2(b))	924.95	Documents of budget	
	Subtotal:	924.95		
2 (c). Training services	Training services: Education and training. (Annex 2, paragraph 2(c))	1,278.11	Documents of budget	
	Subtotal:	1,278.11		
2 (d). Extension and advisory services	Extension and advisory services: Programmes for practical application of new technologies, technology improvement of agricultural production, compilation and provision of statistical data and information, strengthening of management of agricultural organizations. (Annex 2, paragraph 2(d))	3,430.2	Documents of budget	
	Subtotal:	3,430.2		
2 (e). Inspection services	Inspection services: The inspection and control of veterinary medicine, feed, food, pesticide residue, water quality, and grading and the implementation of Chinese Taipei's Agricultural Standard system. (Annex 2, paragraph 2(e))	460.15	Documents of budget	
	Subtotal:	460.15		
2 (f). Marketing and promotion services	Marketing and promotion services: Programmes for the improvement of the marketing, processing and consumption of food; Establishment of wholesale market. (Annex 2, paragraph 2(f))	2,371.56	Documents of budget	
	Subtotal:	2,371.56		
2 (g). Infrastructural services	Infrastructural services: Planning and construction of irrigation/drainage facilities and rural roads, land consolidation for agricultural sector and establishment of rural community. (Annex 2, paragraph 2(g))	16,720.85	Documents of budget	
	Subtotal:	16,720.85		
	Subtotal General Services	28,979.45		

Measure Type	Name and description of measure with reference to criteria in Annex 2	Monetary value TWD, million	Data Sources	Note
1	2	3	4	
8. Payments for relief from natural disasters	Aid for natural disaster: government payments for relief of damaged incomes by natural disasters. (Annex 2, paragraph 8)	2,246.33	Agricultural Statistics Yearbook	
	Interest subsidy: Special loans granted to farmers for the relief of damaged farms due to natural disasters.(Annex 2, paragraph 8) a. Loan types, borrowers, purposes, credit lines, loan interest, loan maturity, repayments, and lending institutions. b. Fund is sourced from the Agricultural Development Fund.	128.63	Bureau of Agricultural Finance COA	
	Subtotal:	2,374.96		
10. Structural adjustment assistance provided through resource retirement programmes	Land retirement programmes: The conversion of farm land to forestry use and island-wide reforestation. (Annex 2, paragraph 10)	508.21	Documents of budget	
	Subtotal:	508.21		
12. Environmental programmes	Interest subsidy for pollution reduction: provision of low interest loans to hog farmers for the purchase of pollution prevention facilities. (Annex 2, paragraph 12)	3.86	Bureau of Agricultural Finance COA	
	Programmes for preventing pollution, managing agricultural waste and monitoring on the pollution of the water and soil, for promoting the sustainable use of farm land. (Annex 2, paragraph 12)	241.33	Documents of budget	
	Interest subsidy: Loan granted to farmers for the use of water and soil conservation. (Annex 2, paragraph 12)	1.18	Bureau of Agricultural Finance COA	
	Land conservation subsidy: payments for the maintenance of farmland in environmentally good condition by growing green manure crops or environment-friendly crops ,or setting-aside. (Annex 2, paragraph 12)	5,491.93	Agriculture and Food Agency, COA	
	Subtotal:	5,738.3		
13. Regional assistance programmes	Programmes for disadvantaged farms: Integrated agricultural construction and environmental improvement programmes for disadvantaged farms. (Annex 2, paragraph 13)	5.25	Documents of budget	
	Subtotal:	5.25		
Grand Total Green Box		37,606.17		

Supporting Table DS:4

DOMESTIC SUPPORT: THE SEPARATE CUSTOMS TERRITORY OF TAIWAN, PENGHU, KINMEN AND MATSU

REPORTING PERIOD: CALENDAR YEAR 2019

Calculation of the Current Total Aggregate Measurement of Support

Description of basic products (including non-product specific AMS)	Product specific AMS (from ST DS:5 to DS:7)	Product-specific EMS (from ST DS:8)	Total (2 + 3)	Value of production	Support as a % of value of production	Current Total AMS	Note
	TWD, million	TWD, million	TWD, million	TWD, million		TWD, million	
1	2	3				4	
Rice	8,585.14		8,585.14	39,891.47	21.52%	8,585.14	
Tobacco	0		0			0 (<i>de minimis</i>)	
Sugar	144.85		144.85	512.86	28.24%	144.85	
Feed Corn	363.65		363.65	658.19	55.25%	363.65	
Soybean	148.07		148.07	181.49	81.59%	148.07	
Vegetables	75.83		75.83	4,186.28	1.81%	0 (<i>de minimis</i>)	(1)
Forage crops	147.92		147.92	1,163.07	12.72%	147.92	
Other crops	100.76		100.76	8,153.57	1.24%	0 (<i>de minimis</i>)	(2)
Non-product-specific AMS(from ST/DS:9)			3,005.61	425,451.26	0.71%	0 (<i>de minimis</i>)	(3)
TOTAL						9,389.63	

General Note:

Value of production is reported in "Agricultural Statistics Yearbook" published by the Council of Agriculture.

Notes:

- (1) "Vegetables" include vegetable soybeans, carrots, lettuce, common bean, seed stand vegetable. The calculated AMS is not subject to reduction or inclusion in the current AMS because the calculated AMS is less than 5% of value of production (*de minimis* exclusion).
- (2) "Other crops" include wheat, buck wheat, sesame, jobs tears, chinese mesona, sorghum, mung bean, oiltea camellia and tea. The calculated AMS is not subject to reduction or inclusion in the current AMS because the calculated AMS is less than 5% of value of production (*de minimis* exclusion).
- (3) Total value of production is calculated as the sum of the value of production of the crops listed in Supporting Table DS:4 (i.e., rice, feed corn, soybean, sugar, vegetables, forage crops and other crops) and the value of production of all other crops (not in AMS calculation) which stands at TWD 370,704.32 million. The calculated AMS is not subject to reduction or inclusion in the current AMS because the calculated AMS is less than 5% of value of production (*de minimis* exclusion).

Supporting Table DS:5

DOMESTIC SUPPORT: THE SEPARATE CUSTOMS TERRITORY OF TAIWAN, PENGHU, KINMEN AND MATSU

REPORTING PERIOD: CALENDAR YEAR 2019

Product-Specific Aggregate Measurements of Support: Market Price Support

Description of basic products	Reporting Year			Measure Types	Applied administered price	External reference price (generally from AGST)	Eligible production	Associated fees/levies	Total market price support ((4-5)*6)-7	Data Sources	Note
	Type	From	To								
1	2			3	4	5	6	7	8	9	
Japonica Rice	CY	01-01-19	31-12-19	Price support level for rice is calculated on the basis of government planned purchase.	26/Kilogram	8.92/Kilogram	190,014 thousand Kilograms		3,245.44	AFA	(1)
Japonica Rice	CY	01-01-19	31-12-19	Price support level for rice is calculated on the basis of government supplementary purchase.	23/Kilogram	8.92/Kilogram	107,864 thousand Kilograms		1,518.73	AFA	(1)
Japonica Rice	CY	01-01-19	31-12-19	Price support level for rice is calculated on the basis of government additional purchase.	21.6/Kilogram	8.92/Kilogram	261,417 thousand Kilograms		3,314.77	AFA	(1)
Indica Rice	CY	01-01-19	31-12-19	Price support level for rice is calculated on the basis of government planned purchase.	25/Kilogram	7.1/Kilogram	745 thousand Kilograms		13.34	AFA	(1)
Indica Rice	CY	01-01-19	31-12-19	Price support level for rice is calculated on the basis of government supplementary purchase.	22/Kilogram	7.1/Kilogram	467 thousand Kilograms		6.96	AFA	(1)
Indica Rice	CY	01-01-19	31-12-19	Price support level for rice is calculated on the basis of government additional purchase.	20.6/Kilogram	7.1/Kilogram	1,510 thousand Kilograms		20.39	AFA	(1)
Indica Rice (long)	CY	01-01-19	31-12-19	Price support level for rice is calculated on the basis of government planned purchase.	25/Kilogram	7.1/Kilogram	3,537 thousand Kilograms		63.31	AFA	(1)

Description of basic products	Reporting Year			Measure Types	Applied administered price	External reference price (generally from AGST)	Eligible production	Associated fees/levies	Total market price support ((4-5)*6)-7	Data Sources	Note
	Type	From	To								
1	2			3	4	5	6	7	8	9	
Indica Rice (long)	CY	01-01-19	31-12-19	Price support level for rice is calculated on the basis of government supplementary purchase.	22/Kilogram	7.1/Kilogram	2,077 thousand Kilograms		30.95	AFA	(1)
Indica Rice (long)	CY	01-01-19	31-12-19	Price support level for rice is calculated on the basis of government additional purchase.	20.6/Kilogram	7.1/Kilogram	6,136 thousand Kilograms		82.84	AFA	(1)
Glutinous Rice	CY	01-01-19	31-12-19	Price support level for rice is calculated on the basis of government planned purchase.	25/Kilogram	5.75/Kilogram	58 thousand Kilograms		1.12	AFA	(1)
Glutinous Rice	CY	01-01-19	31-12-19	Price support level for rice is calculated on the basis of government supplementary purchase.	22/Kilogram	5.75/Kilogram	32 thousand Kilograms		0.52	AFA	(1)
Glutinous Rice	CY	01-01-19	31-12-19	Price support level for rice is calculated on the basis of government additional purchase.	20.6/Kilogram	5.75/Kilogram	59 thousand Kilograms		0.88	AFA	(1)
Total Rice									8,299.25		
Tobacco leaves	CY	01-01-19	31-12-19	Contract guaranteed purchase	207.41/Kilogram	74.66/Kilogram	0 thousand Kilograms		0	TTLT	(2)
Total Tobacco									0		
Sugar	CY	01-01-19	31-12-19	Contract guaranteed purchase	24.88/Kilogram	8.23/Kilogram	4,191 thousand Kilograms		69.78	TSC	(3)
Total Sugar									69.78		

Notes:

- (1) "Applied administered price of rice" is sourced from "Taiwan Food Statistics Book" published by Agriculture and Food Agency (AFA). "External reference price" is based on the CIF price of rice imported by Hong Kong, China in 1990-1992, which serves as the arithmetic average of the price in 1990-1992. The Separate Customs Territory of Taiwan, Penghu, Kinmen, and Matsu did not import rice, and thus did not have data on rice imports. Hong Kong, China is the closest territory to the Separate Customs Territory of Taiwan, Penghu, Kinmen, and Matsu and shares similar rice consumption pattern with the latter; therefore, data on rice imports in Hong Kong, China are used as external reference for rice. "Imported value and volume of rice in Hong Kong, China" is sourced from "Hong Kong Trade Statistics". "Exchange rate of NT dollars to HK dollars" is sourced from "Hong Kong Monthly Digest of Statistics". "Conversion rates of paddy to milled rice" is sourced from Agriculture and Food Agency (AFA). "Eligible production of rice" is sourced from Agriculture and Food Agency AFA.
- (2) Since 2018, "Applied administered price of tobacco leaves" has been abolished.
- (3) "Applied administered price of sugar" and "eligible production of sugar" are sourced from Taiwan Sugar Corporation (TSC). "External reference price of sugar" is based on the CIF imported price of sugar in 1991. Data are sourced from Taiwan Sugar Corporation (TSC).

Supporting Table DS:6

DOMESTIC SUPPORT: THE SEPARATE CUSTOMS TERRITORY OF TAIWAN, PENGHU, KINMEN AND MATSU

REPORTING PERIOD: CALENDAR YEAR 2019

Product-Specific Aggregate Measurements of Support: Non-Exempt Direct Payments

Description of basic products	Reporting Year			Measure Types	Applied administered price TWD	External reference price (generally from AGST) TWD	Eligible production	Total price related direct payments ((4-5)*6) TWD, million	Other non exempt direct payments TWD, million	Associated fees / levies TWD, million	Total direct payment (7+8-9) TWD, million	Data Sources	Note
	Type	From	To										
1	2			3	4	5	6	7	8	9	10	11	
Rice	CY	01-01-19	31-12-19	Diversion payments					285.89		285.89	AFA	(1)
Total Rice											285.89		
Feed Corn	CY	01-01-19	31-12-19	Diversion payments					363.65		363.65	AFA	(1)
Total Feed Corn											363.65		
Soybean	CY	01-01-19	31-12-19	Diversion Payments					148.07		148.07	AFA	(1)
Total Soybean											148.07		
Vegetables	CY	01-01-19	31-12-19	Diversion Payments					75.83		75.83	AFA	(1)
Total Vegetables											75.83		
Forage crops	CY	01-01-19	31-12-19	Diversion Payments					147.92		147.92	AFA	(1)
Total Forage crops											147.92		
Sugar	CY	01-01-19	31-12-19	Diversion Payments					46.22		46.22	AFA	(1)
Total Sugar											46.22		
Other crops	CY	01-01-19	31-12-19	Diversion Payments					100.76		100.76	AFA	(1)
Total Other crops											100.76		

Note:

- (1) Under the Adjusting the Cultivation System and Revitalizing Fallow Land Program, for farmers converting rice production to supported crops (feed corn, soybean, vegetables, forage crops, sugar and other crops (refer to footnote 2 in Supporting table DS:4)), there is a diversion payment of NT\$25,000-NT\$70,000 per hectare paid.

Supporting Table DS:7

DOMESTIC SUPPORT: THE SEPARATE CUSTOMS TERRITORY OF TAIWAN, PENGHU, KINMEN AND MATSU

REPORTING PERIOD: CALENDAR YEAR 2019

Product-Specific Aggregate Measurements of Support: Other Product-Specific Support and Total Product-Specific AMS

Description of basic products	Reporting Year			Measure Types	Other product-specific budgetary outlays	Other product specific support (with calculation details)	Associated fees / levies	Total other product-specific support (4+5-6)	Market price support (from ST DS:5)	Non-exempt direct payments (from ST DS:6)	Total AMS (7+8+9)	Data Sources	Notes
	Type	From	To										
					TWD, million	TWD, million		TWD, million	TWD, million	TWD, million	TWD, million		
1	2			3	4	5	6	7	8	9	10	11	
Total Rice									8299.25	285.89	8585.14		
Total Tobacco									0		0		
Sugar	CY	01-01-19	31-12-19	Freight subsidy	28.22			28.22				TSC	
Sugar	CY	01-01-19	31-12-19	Other subsidies	0.63			0.63					(1)
Total Sugar								28.85	69.78	46.22	144.85		
Feed Corn	CY	01-01-19	31-12-19	Drying subsidy	0			0					
Total Feed Corn								0		363.65	363.65		
Total Soybean										148.07	148.07		
Total Vegetables										75.83	75.83		
Total Forage crops										147.92	147.92		
Total Other crops										100.76	100.76		

Notes:

- (1) Other subsidies for sugar include interest subsidy for loans for the purchase of inputs, insurance premium for sugarcane farm, fees for pest and disease control, inspection fees for sugar brix and others.

Supporting Table DS:9

DOMESTIC SUPPORT: THE SEPARATE CUSTOMS TERRITORY OF TAIWAN, PENGHU, KINMEN AND MATSU

REPORTING PERIOD: CALENDAR YEAR 2019

Non-Product-Specific AMS

Measure Types	Reporting Year			Non-product-specific budgetary outlays TWD, million	Other non-product specific support (include calculation details) TWD, million	Associated fees / levies TWD, million	Total non- product-specific support (3+4-5) TWD, million	Data Sources	Note
	Type	From	To						
1	2			3	4	5	6	7	
Input subsidy: Agricultural machinery price subsidy	CY	01-01-19	31-12-19	1,358.4			1,358.4	Documents of budget	(1)
Input subsidy: Fertilizer freight subsidy	CY	01-01-19	31-12-19	314.8			314.8	AFA	(2)
Input subsidy: Agricultural Fertilizer price difference subsidy	CY	01-01-19	31-12-19	0			0	AFA	(3)
Input subsidy: Waiver or reduction of fees for electricity used for agricultural production	CY	01-01-19	31-12-19	264.35			264.35	Taiwan Power Company, MOEA.	(4)
Input subsidy: Fuel subsidy for agricultural machinery	CY	01-01-19	31-12-19	0			0	AFA	(5)
Interest subsidy	CY	01-01-19	31-12-19	869.51			869.51	Bureau of Agricultural Finance, COA	(6)
Insurance subsidy: Livestock insurance program	CY	01-01-19	31-12-19	198.55			198.55	Dept. of Animal Industry, COA	(7)
TOTAL							3,005.61		

Notes:

- (1) 1.Objective: to facilitate adjustment in agricultural production and distribution so as to expedite modernization of the agricultural sector.
2. For:
 - a. Farmers actually engaged in production.
 - b. Machinery should pass the functional test by Taiwan Agricultural Research Institute.
 - c. Assistance to each farm family is limited to one machine for each type of machine.
3. Subsidy for each machine does not exceed 50% of the machine price.

- (2) To subsidize the cost of transporting the fertilizers for farmers.
 - (3) Fertilizer for agricultural use is provided at preferential prices.
 - (4)
 - 1. Under Agricultural Development Act, minimum charges for electricity used directly in agricultural production may be waived when the electricity is not used; and the cumulative formulae will not be applied in the calculation of electricity used.
 - 2. The scope of exemption covers:
 - a. Electricity used for agricultural irrigation facilities.
 - b. Electricity used for agricultural planting and processing of products after harvest.
 - c. Electricity used for the refrigeration and storage of products.
 - d. Electricity used in livestock farming.
 - (5) Fuel used for agricultural machinery is provided an exemption from 5% Business Tax and subsidized the difference of 50% oil price increase.
 - (6) Special loans granted to farmers for:
 - a. Loan for expanding the family farm to support farmers buying lands.
 - b. Loan for farm machinery.
 - c. Loan for agricultural food industry in guidance and assistance of management.
 - d. Loan for livestock and poultry industry in improving the management efficiency.
 - e. Loan for farmers management improvement and agriculture production and marketing groups.
 - f. Preferential loan extended to those business who move into the Agricultural Technology Park.
 - (7)
 - 1. The farmers' associations are entrusted by the government to conduct the livestock insurance programmes.
 - 2. Insurance coverage: dairy cattle and hogs.
 - 3. Insurance items: death of dairy cattle on farm and death of hog during transportation.
 - 4. Indemnities: the insured amount paid to farmers is varied in accordance with respective insurance programmes and limited to 80% of market value in general.
 - 5. The premiums are subsidized by the government as follows: 30% for hog transportation insurance and 60% for dairy cattle insurance.
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