

# WORLD TRADE ORGANIZATION

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**Working Party on the  
Accession of Armenia**

Original: English

## ACCESSION OF ARMENIA

### Export Subsidies and Domestic Support

#### Revision

The Ministry of Industry and Trade of the Republic of Armenia has submitted the following revised information on export subsidies and domestic support in the agriculture sector.

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Table DS:1

DOMESTIC SUPPORT: ARMENIA  
 REPORTING PERIOD: calendar years 1995-1997  
*Measures exempted from the reduction commitment - "Green Box"*

thousand US\$			
Measure type	Name and description of measure with reference to criteria annex 2 of the Agreement on Agriculture	Monetary value of measure in year in question	Data sources
1	2	3	4
(a)	General Services:		
	<u>Research</u>		
	1995	Research programs in agriculture financed by the state: soil and	145.04
	1996	plant nutrition research program, plant breeding program, animal	270.15
	1997	breeding program, animal genetic research program . Annex 2	132.33
	Average	Paragraph 2(a)	182.51
	<u>Pest and disease control:</u>		
	1995	Programs financed by the state in plant and livestock sectors:	1,580.00
	1996	prevention from the dissemination of pests and disease, plant	1,420.80
	1997	protection, veterinary services to keep healthy and qualitative herd,	1,279.73
	Average	control of sanitary conditions in animal breeding farms, anti	1,426.84
	<u>Training services:</u>		
	1995	Agricultural Reform Support Project - training courses for	-
	1996	representatives of regional agricultural agencies on agricultural	-
	1997	inventory record keeping. Annex 2 paragraph 2 (c)	29.92
	Average		9.97

<sup>1</sup> Ministry of Agriculture of the Republic of Armenia

Measure type	Name and description of measure with reference to criteria annex 2 of the Agreement on Agriculture	Monetary value of measure in year in question	Data sources
1	2	3	4
<u>Extension and advisory services:</u>			
1995	Computer services for creation of the information system, transfer of information on the results of scientific research (plant and animal variety, development and utilization of agromachinery) to farmers, hydrometeorology service. Annex 2 paragraph 2(d)	41.11	State Budget
1996		63.23	
1997		74.19	
Average		59.51	
<u>Inspection Services:</u>			
1995	State inspection agencies for health and food safety purposes Annex 2 paragraph 2 (e)	8.76	State Budget
1996		16.49	
1997		23.95	
Average		16.4	
<u>Infrastructural Services:</u>			
1995	Repair works and maintenance of irrigation network, dams and drainage schemes, buildings and electric stations for the irrigation network, improvement of water supply facilities, land improvement activities. Building of facilities for the development of the network of wholesale markets and the distribution system for agricultural products Establishment of a network of agricultural cooperative banks. Annex 2 paragraph. 2(g)	14,816.35	State Budget and MAG of RA
1996		10,634.24	
1997		6,963.34	
Average		10,804.64	

Measure type	Name and description of measure with reference to criteria annex 2 of the Agreement on Agriculture	Monetary value of measure in year in question	Data sources
1	2	3	4
<u>"Payments for relief from natural disasters":</u>			
1995	Measures for protection and relief from hail and flood. Annex 2, paragraph 8	61.67	State Budget
1996		60.90	
1997		1,405.29	Govt. Decree 210
Average		509.29	

Supporting Table DS:2

DOMESTIC SUPPORT: ARMENIA  
 REPORTING PERIOD: calendar years 1995-1997

*Measures exempted from the reduction commitment Special and Differential Treatment - Development Programmes*

Measure type	Name and description of measure with reference to criteria annex 2 of the Agreement on Agriculture	Monetary value of measure in year in question	Data source
1	2	3	4

No support of this kind was provided during the period 1995-1997

DOMESTIC SUPPORT: ARMENIA  
REPORTING PERIOD: calendar years 1995-1997

*Measures exempted from the reduction commitment- Direct Payments under Production - Limiting Programmes - "Exempt Direct Payments"*

Measure type	Name and description of measure with reference to criteria annex 2 of the Agreement on Agriculture	Monetary value of measure in year in question	Data sources
1	2	3	4

No support of this kind was provided during the period 1995-1997.

## Supporting Table DS:4

DOMESTIC SUPPORT: ARMENIA  
 REPORTING PERIOD: calendar years 1995-1997  
 Calculation of the Total Aggregate Measurement of Support

					thousand US\$
Description of basic products	Product-specific AMS (from supporting tables DS:5 to DS:7 below)	Product-specific measurements of support (from supporting table DS:8 below)	Total Support	Value of Production	Total AMS (Aggregate)
1	2	3	4	5	6
<u>Wheat</u>					
1995	0		0	51,840.16	de minimis
1996	77.95		77.95	83,422.01	de minimis
1997	767.57		767.57	57,886.48	de minimis
<u>Non-product specific</u>					
1995	4,650.47		4,650.47	821,277.75	de minimis
1996	4,834.52		4,834.52	829,250.01	de minimis
1997	3,440.81		3,440.81	725,250.18	de minimis
<u>Total AMS</u>					
1995					0
1996					0
1997					0
1995-1997 average					0

DOMESTIC SUPPORT: ARMENIA  
 REPORTING PERIOD: calendar years 1995-1997  
*Product-Specific Aggregate Measurements of Support :Market Price Support*

Description of basic products	Calendar year/marketing	Measure type (s)	Applied administered price	External reference price	Eligible Production	Associated fees/levies	Total market price support	Data sources
1	2	3	4	5	6	7	8 ((4-5)x6)-7	9

No market price support was provided during the period 1995-1997



Supporting Table DS:6

DOMESTIC SUPPORT: ARMENIA  
 REPORTING PERIOD: calendar years 1995-1997  
*Product-Specific Aggregate Measurements of Support: Non-Exempt Direct Payments*

Description of basic product	Calendar year/ marketing year beginning..	Measure type(s)	Applied administered price	External reference price	Eligible production	Total price related direct payments	Other non-exempt direct payment	Associated fees / levies	Total direct payments (thousand US \$)	Data source
1	2	3	4	5	6	7 ((4-5)x6)	8	9	10 (7+8-9)	11

No support of this kind was provided during the period 1995-1997

DOMESTIC SUPPORT: ARMENIA  
REPORTING PERIOD: calendar years 1995-1997

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

thousand US\$										
Descrip- -tion of basic product	Calendar/ marketing year beginning	Measure 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-:)	Non- exempt direct payments (supporting Table DS:6)	Total AMS	Data sources
1	2	3	4	5	6	7 (4+5-6)	8	9	10 (7+8+9)	11
Wheat	Provision of "Seed Loans" by the state to producers of wheat, part of which was forgiven <sup>2</sup>									
	1995			0		0.00			0.00	MAG of RA
	1996			$((283.2-75.2)*135+(41.6-7)*120)/$ 413.47=77.95		77.95			77.95	
	1997			$((7.5-1.5)*195+554.4*100)/490.65+$ 320000/490.65=767.57		767.57			767.57	
	average			281.84		281.84			281.84	

<sup>2</sup> For calculation details see the annex to Supporting Table DS:7

ANNEX TO SUPPORTING TABLE DS:7

Average annual exchange rates for Armenian drams against US\$

1995	1996	1997
405.4	413.47	490.65

Provision of "Seed Loans" by the State to producers of wheat, part of which was forgiven

ex.

Wheat					
	1996			$((283.2-75.2)*135+(41.6-7)*120)/413.47=$	
				77.95	

(283.2 -75.2) and (41.6-7) - are the differences between the volumes of the seed loans provided and the volumes of the loans returned by producers (in tons)

135 and 120 - are per kilo prices for seeds for the loan in question in Armenian drams

413.47 - is the annual average exchange rate of Armenian drams against US\$1

DOMESTIC SUPPORT: ARMENIA  
 REPORTING PERIOD: 1995-1997  
*Product-Specific Equivalent Measurements of Support*

Description of basic products	Calendar/marketing year	Measure type(s)	Applied administered price	Production eligible to receive the applied administered price	Market price support budgetary outlays	Equivalent measurement of support (include calculation details)	Non-exempt direct payments	Other product-specific support	Associated fees/levies	Total monetary value of equivalent commitment	Data sources
1	2	3	4	5	6	7	8	9	10	11 (7+8+9+10)	12
No support of this kind was provided during the period 1995-1997											

## Supporting Table DS:9

DOMESTIC SUPPORT: ARMENIA  
 REPORTING PERIOD : calendar year  
*Non-Product-Specific Aggregate Measurements of Support*

						thousand US\$
Measure Type(s)	Calendar / Marketing year beginning	Non-Product specific support (include calculation details)	Other non-product-specific support (include calculation details)	Associated fees /levies	Total non-product-specific support	Data sources
1	2	3	4	5	6	7
1. Provision of advantageous loans for covering debts of agricultural water users to energy suppliers <sup>3</sup>						
	1995		$(1700000 * (1.119 - 0.01)) / 405.4 = 4,650.47$		4,650.47	MAG of RA
	1996		$(2900000 * (0.664 - 0.01)) / 413.47 = 4,587.03$		4,587.03	
	1997		$(2800000 * (0.542 - 0.01)) / 490.65 = 3,035.97$		3,035.97	
	average		4,091.16		4,091.16	
2. Provision of privileged loans at lower interest rates to producers of basic agricultural products <sup>4</sup>						
	1995		0		0.00	MAG of RA
	1996		$(336613 * (0.664 - 0.36)) / 413.47 = 247.49$		247.49	
	1997		$(1091397 * (0.542 - 0.36)) / 490.65 = 404.84$		404.84	
	average		217.44		217.44	
TOTAL NON-PRODUCT SPECIFIC AMS						
	1995				4,650.47	
	1996				4,834.52	
	1997				3,440.81	
	average				4,308.6	

<sup>3</sup> For calculation details see the annex to Supporting Table DS:9

<sup>4</sup> For calculation details see the annex to Supporting Table DS:9

ANNEX TO SUPPORTING TABLE DS:9

1. Provision of advantageous loans for covering debts of agricultural water users to energy suppliers

ex

	1995		$(1700000 * (1.119 - 0.01)) / 405.4 = 4650.47$		
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1700000 - is the amount of debts of agricultural producers which was covered (in thousand Armenian drams)  
 1.119 (119 per cent) - is the weighted average annual lending rate of bank loans  
 0.01 (1 per cent) - is the interest rate for the privileged loans provided by the State  
 405.4 - is the annual average exchange rate of Armenian drams against US\$1 for the year in question

2. Provisions of privileged loans at lower interest rates to producers of basic agricultural products

ex.

	1996		$(336613 * (0.664 - 0.36)) / 413.47 = 247.49$		
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336613 - is the amount of loans provided to agricultural producers (in thousand. Armenian drams)  
 0.664 (66.4 per cent) - is the weighted average annual lending rate of bank loans  
 0.36 (36 per cent) - is the interest rate for the privileged loans provided by the State  
 413.47 - is the annual average exchange rate of Armenian drams against US\$1 in the year in question

Supporting Table ES:1

EXPORT SUBSIDIES:  
 REPORTING PERIOD: calendar years 1995-1997  
*Export Subsidies: Outlay and quantity*

Description of products	Direct export subsidies	Sales of stocks	Producer financial subsidies	Cost reduction measures	Internal transport subsidies	Total product specific export subsidies	Quantity of subsidized export	Data source
1	2	3	4	5	6	7	8	9

No export subsidies were provided during the years 1995-1997

ANNEX

PART IV – AGRICULTURAL PRODUCTS: COMMITMENTS LIMITING SUBSIDIZATION

(Article 3 of the Agreement on Agriculture)

SECTION I – Domestic Support: Total AMS Commitments

BASE TOTAL AMS	Final bound commitment levels	Relevant Supporting Tables and document reference
1	2	3

For the purposes of Article 6.4(a) of the Agreement on Agriculture, with respect to product-specific domestic support, the percentage of Armenia's total value of production of a basic agricultural product during the relevant year, and with respect to non-product specific domestic support, the percentage of the value of Armenia's total agricultural production, which would otherwise be required to be included in a Member's calculation of its Current AMS, shall be 10 per cent through 31 December 2008. Beginning on 1 January 2009, such percentages for product-specific and non-product-specific domestic support, which would otherwise be required to be included in Armenia's calculation of its Current AMS, shall be 5 per cent.



PART IV – AGRICULTURAL PRODUCTS: COMMITMENTS LIMITING SUBSIDIZATION

SECTION II – Export Subsidies: Budgetary Outlay and Quantity Reduction Commitments

Description of products and tariff item numbers at HS six digit level	Base outlay level	Calendar/other year applied	Annual and final outlay commitment levels	Base quantity	Calendar/other Year applied	Annual and final quantity commitment levels	Relevant Supporting Tables and document reference
1	2	3	4	5	6	7	8

Nil

PART IV – AGRICULTURAL PRODUCTS: COMMITMENTS LIMITING SUBSIDIZATION

SECTION III – Export Subsidies: Commitments Limiting the Scope of Export Subsidies

Description of products	Nature of commitments
1	2

Nil