

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:793

ANSWERED ON:24.07.2015

WTO Agreement on Food Subsidy

Hari Shri G.;Kothapalli Smt. Geetha;Natterjee Shri J. Jayasingh Thiyagaraj

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- a) whether the World Trade Organisation (WTO) General Council had accepted India's demand for extending the peace clause till a permanent solution is found for its food stockpiling issue providing the country immunity against action in case of breach of subsidy;
- b) if so, the details thereof and benefits accrued therefrom;
- c) whether efforts have been made to reach a permanent solution to the food security issue so that there would be predictability on farm subsidies and get it included in the WTO meet at Nairobi and if so, the details thereof;
- d) whether some countries have opposed the proposal for extension of moratorium beyond 2015; and
- e) if so, the details thereof along with the efforts being made to ensure approval of moratorium?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE) (SMT. NIRMALA SITHARAMAN)

(a) & (b) The decision taken by the General Council (GC) of the World Trade Organisation (WTO) in November 2014 makes it clear that a mechanism, under which WTO Members will not challenge the public stockholding programmes of developing country members for food security purposes, in relation to certain obligations under the WTO Agreement on Agriculture, will remain in place in perpetuity until a permanent solution regarding this issue has been agreed and adopted. The Decision enables India to continue with its public procurement policy without any apprehension of breaching its commitments under the WTO Agreement on Agriculture and includes a commitment to find a permanent solution.

(c) The GC Decision also includes a commitment to agree and adopt a permanent solution on public stockholding for food security purposes by 31 December 2015 on a best endeavour basis and has a firm commitment to engage in negotiations for a permanent solution through an intensified programme of work. Negotiations are underway in the WTO on a Work Programme and the possible outcomes of the Tenth Ministerial Conference of the WTO to be held in Nairobi, Kenya in December 2015. The G-33 coalition of developing Members, of which India is a member, is making all efforts to negotiate and achieve a positive outcome on the issue of public stockholding for food security purposes.

(d) & (e) The decision of the General Council was adopted through consensus. The mechanism, under which WTO Members will not challenge the public stockholding programmes of developing country members for food security purposes, in relation to certain obligations under the relevant WTO rules, will remain in place in perpetuity until a permanent solution has been agreed and adopted.
