



23 November 2015

(15-6190)

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**Committee on Agriculture
Special Session
Sub-Committee on Cotton**

COTTON

BACKGROUND PAPER BY THE SECRETARIAT¹

Revision

1. The Ministerial Decision on Cotton of 7 December 2013 (document WT/MIN(13)/41 and WT/L/916 dated 11 December 2013) adopted by Ministers at the 9th WTO Ministerial Conference in Bali states, *inter alia* that:

"5. In this context, we therefore undertake to enhance transparency and monitoring in relation to the trade-related aspects of cotton. To this end, we agree to hold a dedicated discussion on a bi-annual basis in the context of the Committee on Agriculture in Special Session to examine relevant trade-related developments across the three pillars of Market Access, Domestic Support and Export Competition in relation to cotton.

6. The dedicated discussions shall be undertaken on the basis of factual information and data compiled by the WTO Secretariat from Members' notifications, complemented, as appropriate, by relevant information provided by Members to the WTO Secretariat.

7. The dedicated discussions shall in particular consider all forms of export subsidies for cotton and all export measures with equivalent effect, domestic support for cotton and tariff measures and non-tariff measures applied to cotton exports from LDCs in markets of interest to them."

2. As requested by the Bali Ministerial Decision, and following up on the three dedicated discussions held so far², the WTO Secretariat has prepared a revised compilation of factual information and data available from Members' notifications and other submissions, on Market Access, Domestic Support and Export Competition in relation to cotton, received up to 5 November 2015.
3. Further to Members' requests at the second dedicated discussion, this revised background paper also includes (i) Members' responses to the questionnaire on cotton policy developments circulated on 4 February and 17 September 2015; and (ii) relevant information on cotton markets and policies from Trade Policy Review reports circulated up to 5 November 2015, for the 32 Members identified in paragraph 10 of this paper.³
4. The paper is organized in three parts, namely:
 - Export Subsidies⁴;

¹ This document has been prepared under the Secretariat's own responsibility and is without prejudice to the positions of Members or to their rights and obligations under the WTO. It has been prepared for information only and is not intended to provide any authoritative or official legal interpretation of the provisions of the WTO Agreements in general or in relation to any measure listed in this document.

² June 2014, November 2014 and July 2015

³ This information is presented in Annexes 4 and 5.

⁴ As regards "all forms of export subsidies for cotton and all export measures with equivalent effect" referred to in paragraph 7 of the Bali Ministerial Decision, Members can also refer to the Secretariat

-
- Domestic Support; and
 - Market Access.
5. The factual information and data contained in this paper have been compiled from:
 - Members' schedules and notifications in the Market Access (MA), Domestic Support (DS) and Export Subsidies (ES) series under the Committee on Agriculture;
 - Tariff data available in the WTO Integrated Database (IDB) and Consolidated Tariff Schedules Database (CTS); as well as
 - Non-tariff measures available in the WTO Integrated Trade Intelligence Portal (I-TIP) Goods Database.
 6. The specific sources of information for each of the areas covered are described under the relevant parts of the paper.
 7. With regards to Export Subsidies and Domestic Support (Part one and two of the paper), factual information and data were collected for all WTO Members with relevant commitments or who have reported measures benefitting cotton in their relevant notifications.
 8. With regards to Market Access (Part three of the paper), the Bali Ministerial Decision on Cotton notes that "the dedicated discussions shall in particular consider ... tariff measures and non-tariff measures applied to cotton exports from LDCs in markets of interest to them".
 9. A list of markets of interest to LDCs was established by collecting market access data for WTO Members that are either: (i) classified as developed economies for the purpose of the WTO Secretariat note on the "Participation of Developing Economies in the Global Trading System"⁵; (ii) amongst the top 20 cotton importing countries in quantity for the period 2010-2012; or (iii) amongst the top 20 cotton importing countries in quantity from LDCs for the period 2010-2012.⁶
 10. As a result, market access data are provided for the following 32 Members:⁷ Australia; Bahrain, Kingdom of; Bangladesh; Brazil; Canada; China; Colombia; Egypt; the European Union; Hong Kong, China; Iceland; India; Indonesia; Japan; Kenya; Korea, Republic of; Malaysia; Mauritius; Mexico; Morocco; New Zealand; Norway; Pakistan; Peru; Russian Federation; South Africa; Switzerland; Chinese Taipei; Thailand; Turkey; the United States of America and Viet Nam.
 11. Unless otherwise indicated, the term "cotton" in this paper refers to the products covered by the Harmonized System nomenclature (HS) headings 52.01, 52.02 and 52.03.

background paper on export subsidies, export credits and export credit guarantees or insurance programmes, international food aid, and agricultural exporting STEs (document G/AG/W/125/Rev.2 and addenda).

⁵ Document WT/COMTD/W/201, Appendix 7 with the European Union counted as one and Switzerland and Liechtenstein also counted as one.

⁶ The top 20 cotton importing countries were identified using COMTRADE data processed by the WTO Secretariat, and supplemented by data from the International Cotton Advisory Committee (ICAC).

⁷ In the absence of significant change in the list of Members when using the period 2011-2013, the list used in document TN/AG/GEN/34/Rev.1 has been kept unchanged for the sake of comparability.

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1 EXPORT SUBSIDIES

1.1. Part One provides information on the use of export subsidies for cotton by Members. It is divided into two sections:

- Section 1.1 provides information on export subsidy reduction commitments, both in terms of budgetary outlay and quantity; and
- Section 1.2 provides information on notified export subsidy budgetary outlays and quantities.

1.2. As noted earlier, with regards to "*all forms of export subsidies for cotton and all export measures with equivalent effect*" referred to in paragraph 7 of the Bali Ministerial Decision, Members can also refer to the Secretariat background paper on export subsidies, export credits and export credit guarantees or insurance programmes, international food aid, and agricultural exporting STEs (document G/AG/W/125/Rev.3 and addenda dated 27 July 2015). It can be noted in that regard that: (i) China listed in its reply to the questionnaire on export competition circulated to WTO Members on 26 November 2014, four agricultural exporting State Trading Enterprises for cotton; and (ii) the United States, Poland (European Union) and Japan respectively identified in their replies cotton and HS5202-5203 in the list of products covered by their export financing programmes.

1.1 EXPORT SUBSIDY COMMITMENTS

1.3. This section lists export subsidy reduction commitments for cotton by Member and by implementation year⁸, as specified in Members' schedules. The tables show, for each Member concerned, the annual and final bound export subsidy budgetary outlay and quantity commitments. The following column headings are used:

XSID	The number identifying export subsidy commitments for each Member in the CTS, in the same sequential order as scheduled. The seven-character code is comprised of the three-letter WTO Member code, followed by "X" for "export subsidy", followed by the three-digit sequential identifier;
Product	The product or group of products as specified in the Member's schedule ⁹ ;
Tariff Line(s)	The tariff item number(s) as specified in the Member's schedule reproduced in the CTS using the HS 2002 nomenclature; and
1995...	Budgetary outlay and quantity commitments for each implementation year.

1.4. For each Member, the currency/quantity unit and the type of year (i.e. calendar, financial, fiscal or marketing year) are indicated as specified in that Member's schedule.

⁸ Throughout this paper, the term "implementation year" refers to the relevant calendar, financial, fiscal or marketing year as specified by individual Members.

⁹ In original language only.

1.1.1 Bound export subsidy commitments for cotton

Brazil

Budgetary outlays commitments in US\$

XSID	Product	Tariff Line(s)	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
BRAX013	Cotton	520100	208,534.1	203,406.2	198,278.3	193,150.4	188,022.6	182,894.7	177,766.8	172,638.9	167,511.0	162,383.1

Quantity commitments in tonnes

XSID	Product	Tariff Line(s)	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
BRAX013	Cotton	520100	3,670.9	3,618.8	3,566.6	3,514.5	3,462.4	3,410.3	3,358.1	3,306.0	3,253.9	3,201.8

Colombia

Budgetary outlays commitments in US\$

XSID	Product	Tariff Line(s)	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
COLX018	ALGODON	5201, 5202, 5203	71,394,099	71,394,099	69,438,096	67,482,094	65,526,091	63,570,088	61,614,085	59,658,083	57,702,080	55,746,077

Quantity commitments in tonnes

XSID	Product	Tariff Line(s)	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
COLX018	ALGODON	5201, 5202, 5203	38,588	38,588	37,978	37,368	36,759	36,149	35,539	34,929	34,320	33,710

Israel

Budgetary outlays commitments in thousand US\$

XSID	Product	Tariff Line(s)	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
ISRX006	Cotton		9,410	9,179	8,948	8,716	8,485	8,253	8,022	7,791	7,559	7,328

Quantity commitments in thousand tonnes

XSID	Product	Tariff Line(s)	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
ISRX006	Cotton		47.1	46.4	45.8	45.1	44.4	43.8	43.1	42.4	41.8	41.1

South Africa

Budgetary outlays commitments in rand (calendar year)

XSID	Product	Tariff Line(s)	1995	1996	1997	1998	1999	2000
ZAFX062	Cotton	5201, 5202, 5203	4,157,081	3,891,736	3,626,390	3,361,045	3,095,699	2,830,353

Quantity commitments in tonne equivalent (calendar year)

XSID	Product	Tariff Line(s)	1995	1996	1997	1998	1999	2000
ZAFX062	Cotton	5201, 5202, 5203	4,600	4,433	4,266	4,100	3,933	3,766

1.2 NOTIFIED EXPORT SUBSIDIES

1.5. This section lists export subsidies for cotton notified by Members in Table ES:1 as well as export subsidies for cotton notified in Supporting Tables ES:2 by developing country Members who have taken recourse to Article 9.4 of the Agreement on Agriculture. This section includes notifications circulated by the Secretariat up to 5 November 2015.

1.6. The following column headings are used:

XSID The number identifying export subsidy commitments for each Member in the CTS, in the same sequential order as scheduled. The seven-character code is comprised of the three-letter WTO Member code, followed by "X" for "export subsidy", and by the three-digit sequential identifier. A blank indicates that no export subsidy reduction commitments are scheduled for the product in question;

Product The product or group of products as specified in the Member's schedule¹⁰ or in the Member's notification; and

1995... The notified budgetary outlay or quantity for each implementation year from 1995 up to the latest implementation year as indicated in the Member's most recent Table ES:1 notification. A blank indicates that no notification has been received for the year in question or that, for Members without scheduled export subsidy commitments for cotton, the notification does not mention cotton.

1.7. For each Member, the currency/quantity unit and the type of year (i.e. calendar, financial, fiscal or marketing year) are indicated as specified in that Member's schedule or in the Member's notification.

¹⁰ In original language only.

1.2.1 Notified budgetary outlays and quantities for cotton (Table ES:1)

Brazil

Notified budgetary outlays in US\$ (calendar year)

XSID	Product	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
BRAX013	Cotton	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Notified quantities in tonnes (calendar year)

XSID	Product	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
BRAX013	Cotton	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Colombia

Notified budgetary outlays in thousand US\$ (calendar year)

XSID	Product	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
COLX018	ALGODON	0.21 ¹	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Notified quantities in tonnes (calendar year)

XSID	Product	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
COLX018	ALGODON	0.72	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Israel

Notified budgetary outlays in thousand US\$ (marketing year, 1 October-30 September)

XSID	Product	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
ISRX006	Cotton	0	0	0	0	0	0	0	886 ²	0	0			0	0	0	0	0	0

Notified quantities in thousand tonnes (marketing year, 1 October-30 September)

XSID	Product	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
ISRX006	Cotton	0	0	0	0	0	0	0	0.6	0	0			0	0	0	0	0	0

South Africa

Notified budgetary outlays in rand (calendar year)

XSID	Product	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
ZAFX062	Cotton	5,654 ¹	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Notified quantities in tonnes (calendar year)

XSID	Product	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
ZAFX062	Cotton	36	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

United States of America

Notified budgetary outlays in thousand US\$ (fiscal year beginning 1 October-30 September)

XSID	Product	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
	Upland Cotton ³									203,595.4 ¹	276,500.0 ¹	266,943.5 ¹	9,353.0 ¹	0	0	0	0	0	0

Notified quantities in thousand tonnes (1 July-30 June)

XSID	Product	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
	Upland Cotton ³									2,357.4	2,412.6	3,641.5	1,291.8	0	0	0	0	0	0

¹ Direct export subsidies (as indicated in Supporting Table ES:1).

² Producer financed subsidies (as indicated in Supporting Table ES:1).

³ For U.S. notifications covering the implementation years 2003-2005, the following footnote was included: "The panel and Appellate Body reports in the dispute United States – Subsidies on Upland Cotton (DS267) found that certain payments to exporters under the Upland Cotton Domestic Marketing Certificate Program constituted export subsidies within the meaning of the Agreement on Agriculture. On 8 February 2006, the United States enacted legislation to repeal the programme at the end of the 2005 marketing year (i.e., 31 July 2006). Quantity and budgetary data are based on when payments were made." For U.S. notifications covering the implementation years 2006-2012, the following footnote was included: "The panel and Appellate Body reports in the dispute United States – Subsidies on Upland Cotton (DS267) found that certain payments to exporters under the Upland Cotton Domestic Marketing Certificate Program constituted export subsidies within the meaning of the Agreement on Agriculture. On 8 February 2006, the United States enacted legislation to repeal the program at the end of the 2005 marketing year (i.e., 31 July 2006). All cotton under the program was shipped by 31 July 2006; quantity and budgetary data are based on when payments were made."

1.2.2 Notified budgetary outlays and quantities for cotton (Supporting Table ES:2)

India

Notified budgetary outlays in million US\$ (marketing year)

XSID	Product	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
	Raw cotton (Full pressed bales)										0.089 ¹	1.21 ¹				

Notified quantities in tonnes (marketing year)

XSID	Product	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
	Raw cotton (Full pressed bales)										2,542	40,392				

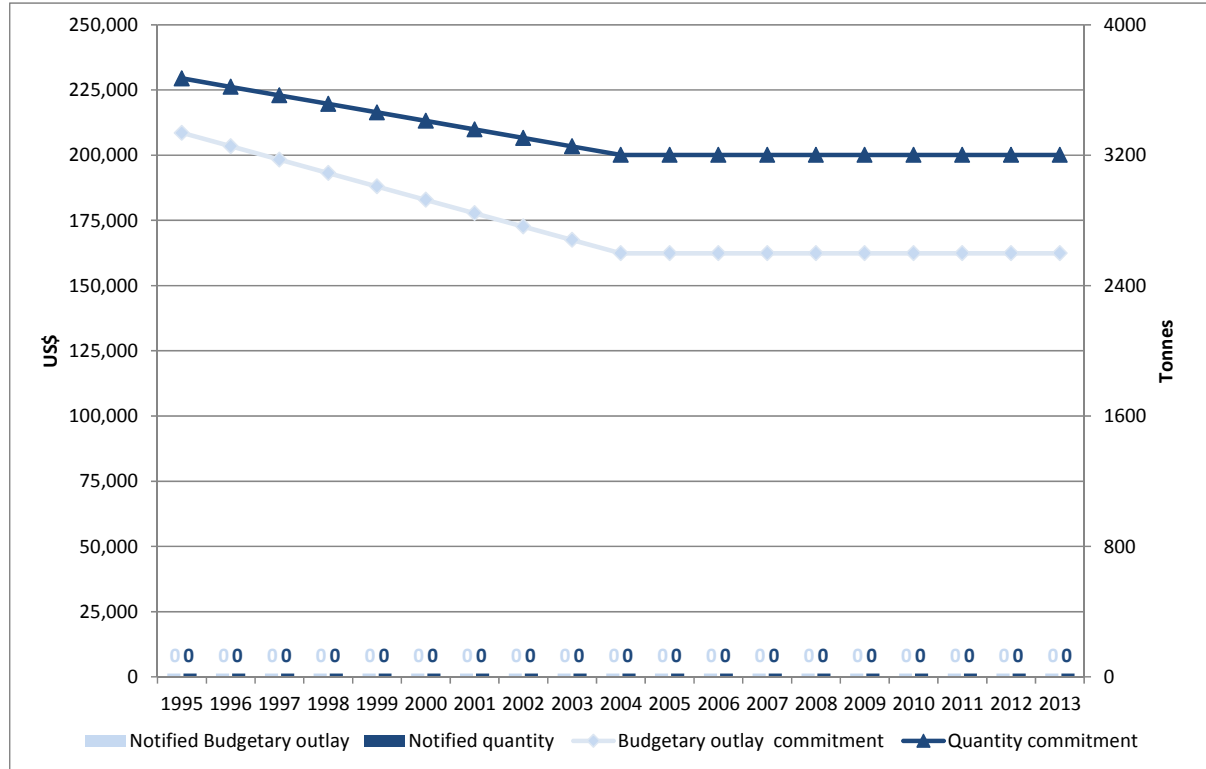
¹ International Air Freight Assistance in terms of Article 9.1 (d) (as indicated in the footnote in India's Supporting Table ES:2 for implementation years 2004 and 2005).

Charts on scheduled and notified export subsidy budgetary outlays and quantities¹¹

1.8. Based on the information presented in sections 1.1 and 1.2 above, the charts in this section show, by Member and by year, the export subsidy budgetary outlays and quantities notified in Table ES:1 and Supporting Tables ES:2, and the corresponding commitment levels where they exist.

1.9. In all charts, export subsidy budgetary outlays notified and budgetary outlay commitments are plotted on the left axis and export subsidy quantities notified and quantity commitments are plotted on the right axis.

Chart 1.1: Brazil



¹¹ Chart 34 of the Secretariat background document G/AG/W/125/Rev.2 shows the sum of the export subsidy budgetary outlays notified (Table ES:1) and scheduled by all Members for cotton, for the period 1995-2012.

Chart 1.2: Colombia

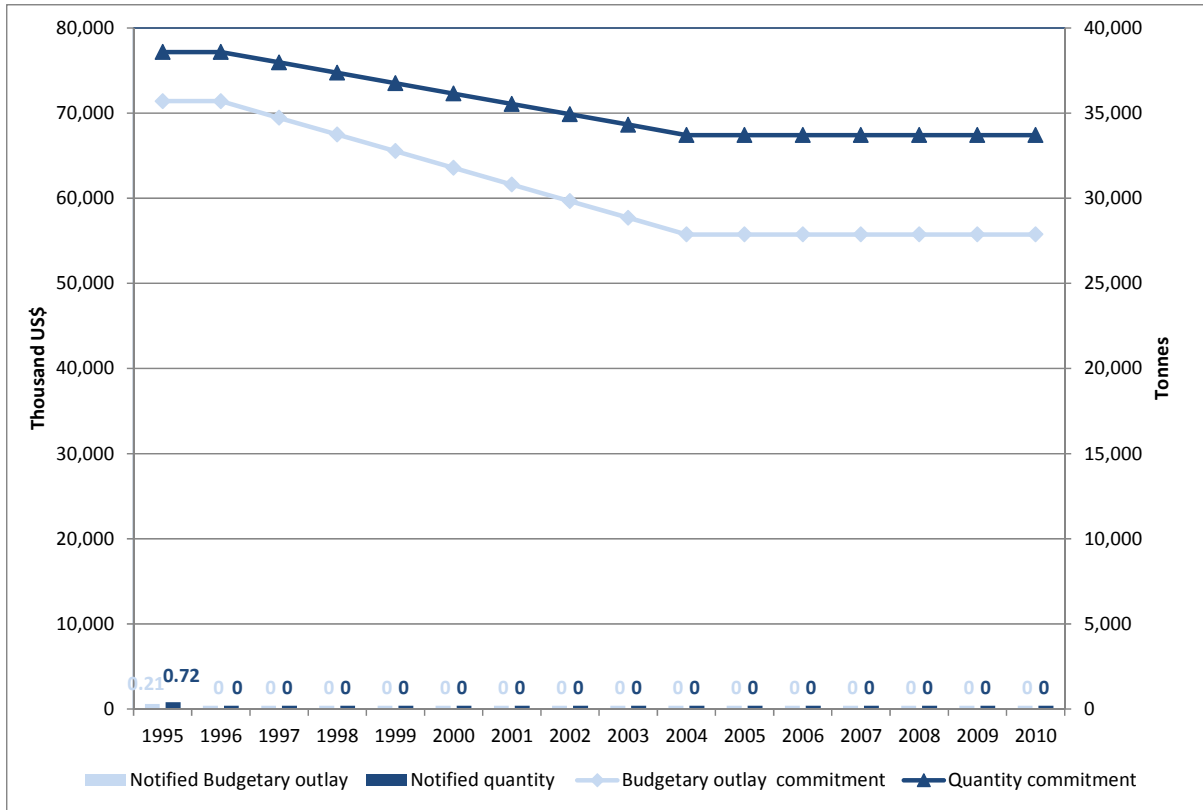


Chart 1.3: Israel

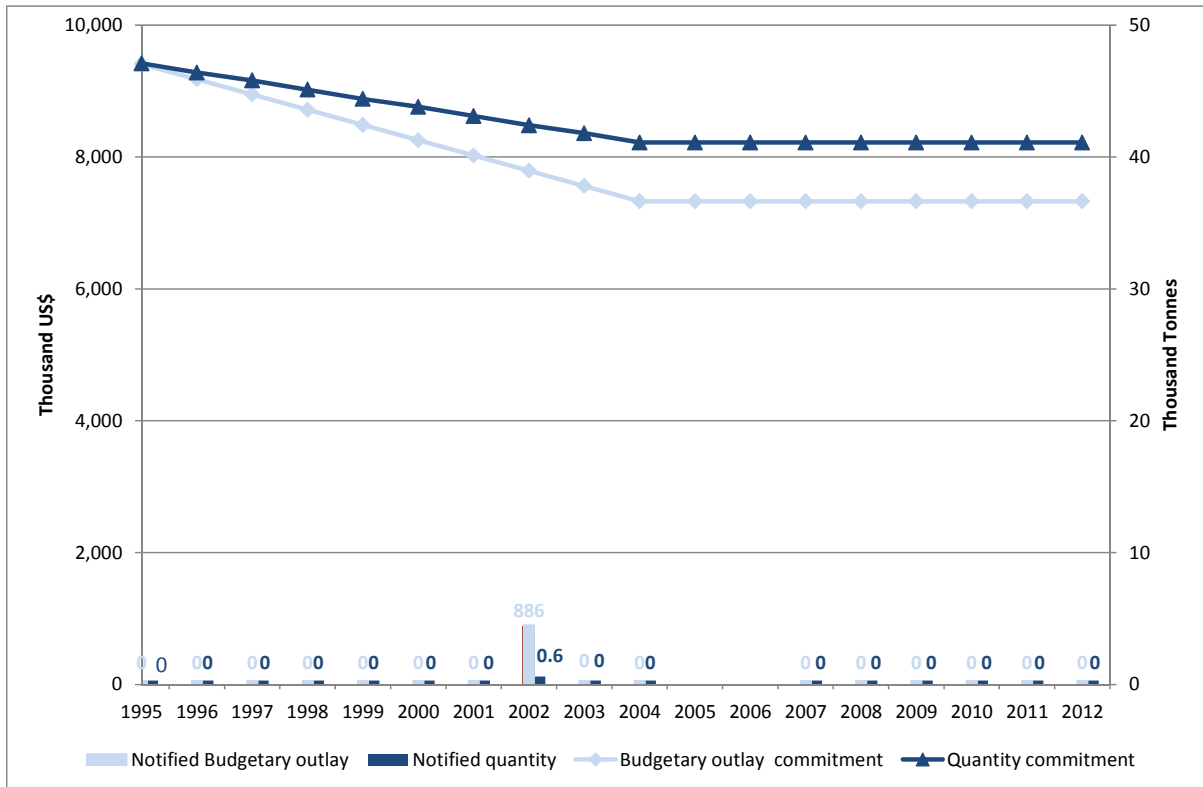


Chart 1.4: South Africa

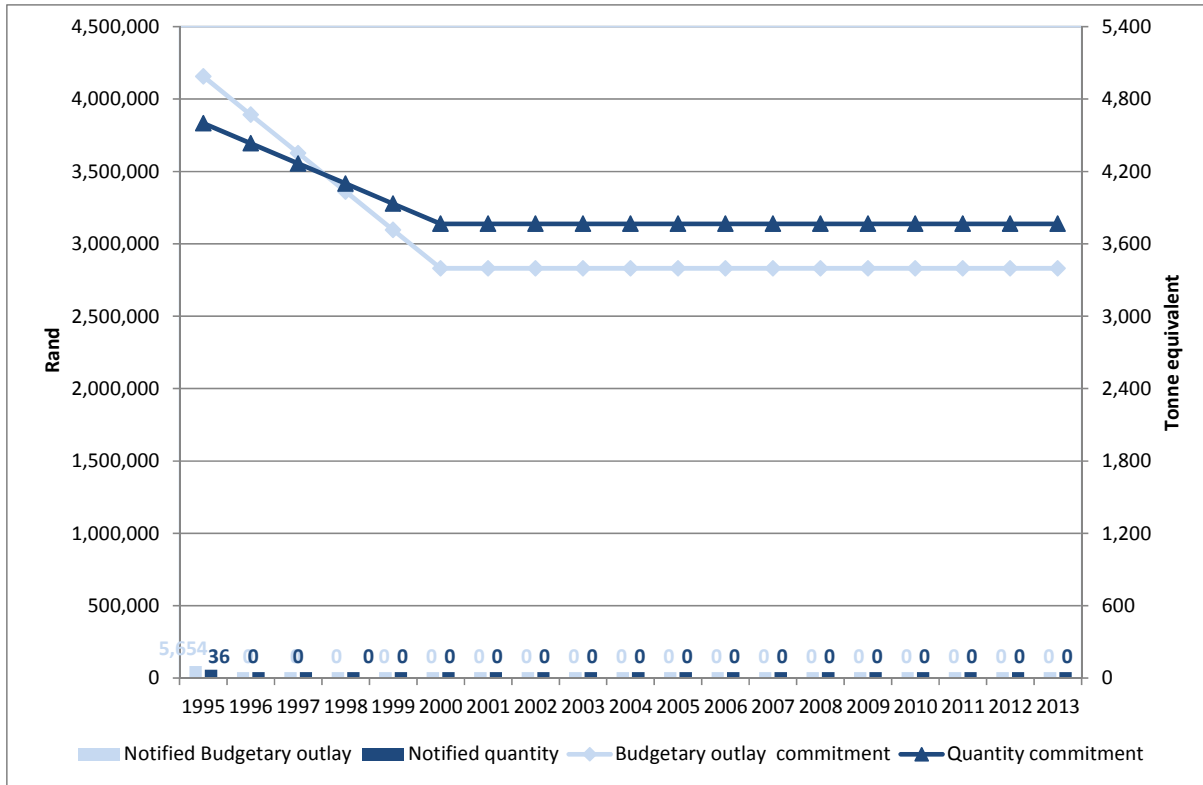


Chart 1.5: United States of America

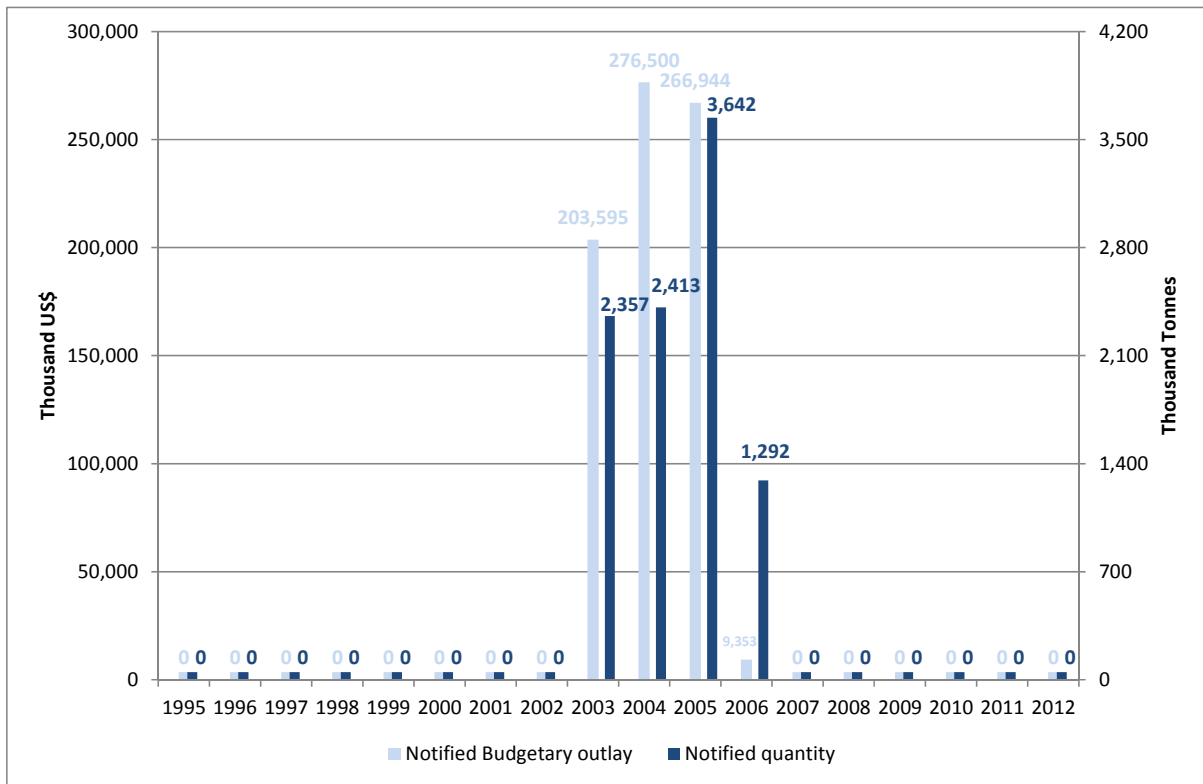
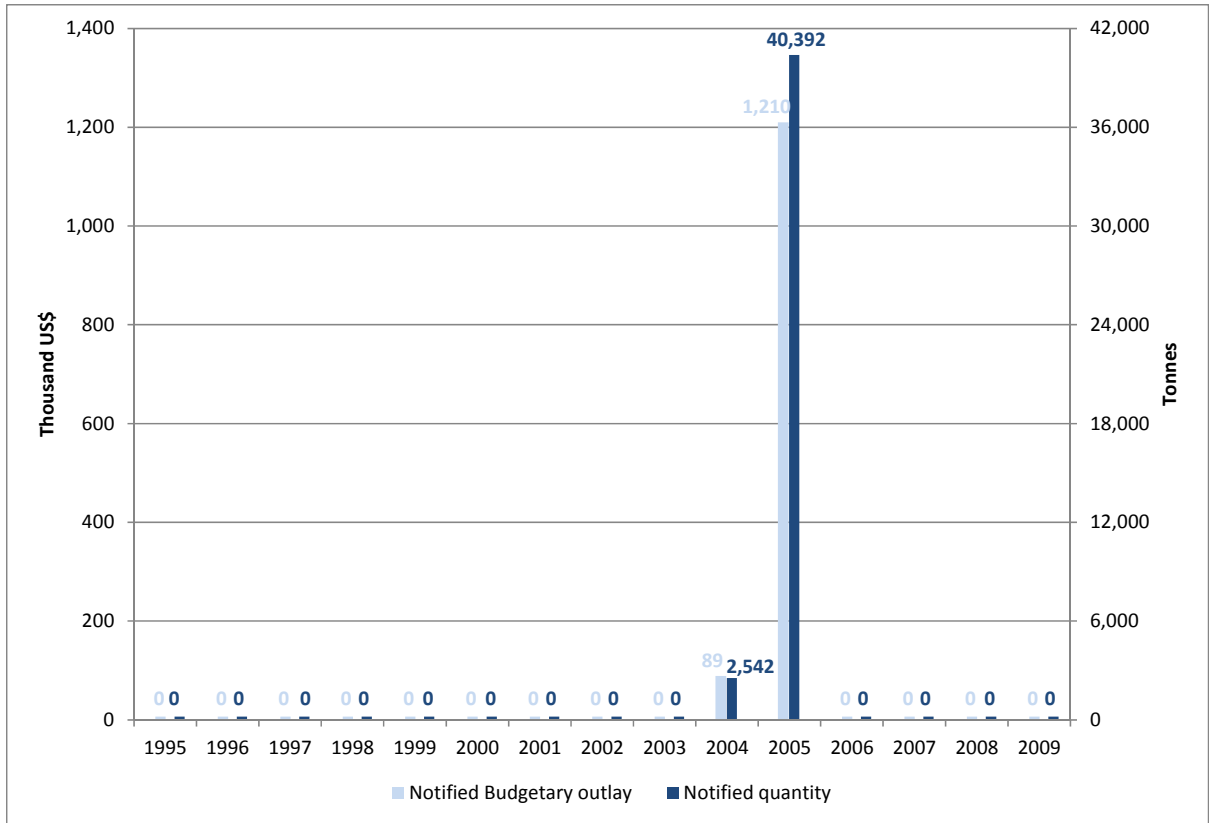


Chart 1.6: India



2 DOMESTIC SUPPORT

2.1. Part Two provides information on the use of domestic support measures in favour of cotton based on Table DS:1 notifications circulated by the Secretariat up to 5 November 2015. It is divided into two sections:

- Section 2.1 provides information on product-specific Aggregate Measurement of Support¹² as notified in Supporting Tables DS:4 to DS:8. The section also includes, further to Members' requests at the third dedicated discussion, a table which provides, for each Member listed in Section 2.1, the level of product-specific AMS for cotton, together with the current Total AMS and the value of production for cotton (if available) for the most recent available year of notification; and
- Section 2.2 provides information on direct payments in accordance with Article 6.5 as notified in Supporting Table DS:3.

2.1 PRODUCT SPECIFIC AGGREGATE MEASUREMENT OF SUPPORT

2.2. This section details the level of product-specific AMS for cotton by Member and by implementation year.

2.3. The levels of the various domestic support categories that compose the product-specific support for cotton used in the AMS calculation are also listed. The different categories are the following:

- market price support (Supporting Table DS:5);
- non-exempt direct payments (Supporting Table DS:6);
- other product-specific support (Supporting Table DS:7); and
- product-specific support calculated using the Equivalent Measurement of Support (EMS) methodology (Supporting Table DS:8).

2.4. For each Member, the implementation years are those indicated in the Member's Table DS:1 notifications, and the notified currency unit is indicated in brackets.

Symbols used

Product-specific AMS figures in italic and underlined represent support notified as *de minimis*.

A blank indicates the absence of a notification for the year in question.

"0" indicates that the Member notified zero support or that the Member has not notified any support for the support category concerned.

Figures in brackets represent negative support.

¹² Also referred to as product-specific AMS. Throughout this paper, this term also includes the product-specific Equivalent Measurement of Support calculated according to Annex 4 of the Agreement on Agriculture.

2.1.1 Product-specific AMS notified for cotton¹³

Brazil

(Thousand US\$)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011-2013
Market price support	33,860.69	40.9	6.1	9,893.1	(4,873.8)	(4,884.1)	(20,445.5)	(350.5)	0	0	0	315.8	186.0	259.8	0	0	0
Non-exempt direct payments	0	0	0	0	0	0	0	0	0	0	0	39,108.4	341,621.9	324,868.2	0	269,018.9	0
Other product-specific support	12,585.78	12,710.4	10,278.2	45,531.0	35,080.3	55,307.7	52,105.9	27,731.4	18,073.9	27,427.5	44,324.6	43,287.5	0	0	0	0	0
Product-specific EMS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Product-specific AMS	46,446.47	12,751.3	10,284.3	55,424.1	35,080.3	55,307.7	52,105.9	27,731.4	18,073.9	27,427.5	44,324.6	82,711.7	341,807.9	325,128.0	0	269,018.9	0

China

(Million RMB)

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Market price support	0	0	0	0	0	0	0	0	0	0	0	0
Non-exempt direct payments	0	0	0	0	0	0	0	0	0	0	0	0
Other product-specific support	2,854 ¹	3,503 ¹	1,790 ¹	1,205.6 ²	1,034 ²	973.91 ²	1,100.39 ³	880.35 ³	4,099.45 ³	2,766.73 ³	5,007 ³	2,977 ³
Product-specific EMS	0	0	0	0	0	0	0	0	0	0	0	0
Product-specific AMS	2,854	3,503	1,790	1,205.6	1,034	973.91	1,100.39	880.35	4,099.45	2,766.73	5,007	2,977

Colombia

(Thousand US\$)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Market price support	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-exempt direct payments	2,980	289.2	1,002.6	757	2,306.5	1,115	2,899	8,983.5	20.5	10,445.4	30,595	18,091	24,775	17,755	25,261	25,592
Other product-specific support	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Product-specific EMS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Product-specific AMS	2,980	289.2	1,002.6	757	2,306.5	1,115	2,899	8,983.5	20.5	10,445.4	30,595	18,091	24,775	17,755	25,261	25,592

¹³ For implementation years 1995-1999, Pakistan maintained a positive applied administered price for "seed cotton", but Market Price Support was calculated as zero because there was no eligible production.

European Union
(Million EUR)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Market price support	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-exempt direct payments	22.7	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other product-specific support	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Product-specific EMS	777.7	772.7	809.4	715.2	623.7	795	575.1	731.3	769.4	725.4	739.5	0	0	0	0	0	0	0
Product-specific AMS	800.4	772.7	809.4	715.2	623.7	795	575.1	731.3	769.4	725.4	739.5	0	0	0	0	0	0	0

India
(Million US\$)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Market price support	(2,106)	0	0	(64.79)	(72.45)	(91.46)	(147.3)	(94.01)	(140.62)	(150.28) ⁴	(68.99) ⁴	(49.39) ⁴	(6.64) ⁴	243.14 ⁴	6.95 ⁴	0
Non-exempt direct payments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other product-specific support	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Product-specific EMS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Product-specific AMS	(2,106)	0	0	(64.79)	(72.45)	(91.46)	(147.3)	(94.01)	(140.62)	(150.28)	(68.99)	(49.39)	(6.64)	243.14	6.95	0

Israel
(Thousand US\$)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Market price support	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-exempt direct payments	0	0	0	0	0	4,713	0	0	0	0	0	0	0	0	0	0
Other product-specific support	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Product-specific EMS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Product-specific AMS	0	0	0	0	0	4,713	0	0	0	0	0	0	0	0	0	0

Mexico
(Million 1991 Mex\$)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Market price support	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-exempt direct payments	71.01	0	0	0	0	0	0	42.1	0.6	71.1	127.8	59.4	104.8	42.114	102.597	0.01	0	0
Other product-specific support	0	2.2	3.4	9	5.8	2.1	1.4	23	23.5	7.9	7.4	0	31	0	24.608	34.95	50.13	25.31
Product-specific EMS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Product-specific AMS	71.01	2.2	3.4	9	5.8	2.1	1.4	65.2	24.1	79	135.2	59.4	135.8	42.114	127.205	34.96	50.13	25.31

Peru

(Million US\$)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Market price support	0	0	0		0	0	0	0	0	0	0	0	0	0	0	0
Non-exempt direct payments	0	0	0		0	0	0	6.2	5.4	7	7.9	6.9	6.2	5.8	0	0
Other product-specific support	0	0	0		0	0	0	0	0	0	0	0	0	0	0	0
Product-specific EMS	0	0	0		0	0	0	0	0	0	0	0	0	0	0	0
Product-specific AMS	0	0	0		0	0	0	6.2	5.4	7	7.9	6.9	6.2	5.8	0	0

South Africa

(Million rand)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Market price support	0	46.66	33.74	(4.81)	(42.95)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-exempt direct payments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other product-specific support	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Product-specific EMS	4.2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Product-specific AMS	4.2	46.66	33.74	(4.81)	(42.95)	0	0	0	0	0	0	0	0	0	0	0	0	0	0

United States of America

(Million US\$)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Market price support	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-exempt direct payments	34.962	6.401	444.942	824.027	2,136.897	987.003	2,723.039	921.055	185.501	1,790.501	1,283.707	1,080.050	0.831	953.161	33.119	0	0.001	0
Other product-specific support	(3)	(3)	20.678	110.653	216.238	62.75	87.073	265.738	249.413	447.914	336.992	285.127	207.079	176.802	115.154	81.249	75.083	636.148
Product-specific EMS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Product-specific AMS	31.962	3.401	465.62	934.68	2,353.135	1,049.753	2,810.112	1,186.793	434.914	2,238.415	1,620.699	1,365.177	207.91	1,129.963	148.273	81.249	75.084	636.148

Viet Nam
(Billion VND)

	2007	2008
Market price support	0	0
Non-exempt direct payments	0	0
Other product-specific support	0.074	0
Product-specific EMS	0	0
Product-specific AMS	<u>0.074</u>	0

¹ The following footnote was included in China's notification covering implementation years 1999-2001: "From the year 1999, cotton purchase in China became market oriented and the State Procurement Pricing for Cotton did not work any longer. Therefore, there was no price support in this reporting period. The product-specific *de minimis* supports to cotton were primarily provided through interest subsidies for national cotton stockholdings."

² The following footnote was included in China's notification covering implementation years 2002-2004: "Support to cotton include interest subsidy for national stock cotton".

³ The following footnote was included in China's notification covering implementation years 2005-2010: "Support to cotton includes subsidy for improved crop strains and seeds, subsidy for reserve cost, cost subsidy for transporting cotton out of Xinjiang Uygur Autonomous Region".

⁴ The following footnote was included in India's notification covering implementation years 2004-2009: "Applied administered price is procurement price for lint cotton. A co-efficient of 2.35 has been used for conversion from seed cotton".

Charts on product-specific AMS notified for cotton by category of support

2.5. Based on the information presented in section 2.1.1 above, the charts in this section show, by Member and by year, the various levels for the domestic support categories that were included in the calculation of the product-specific AMS notified for cotton.

Chart 2.1: Brazil

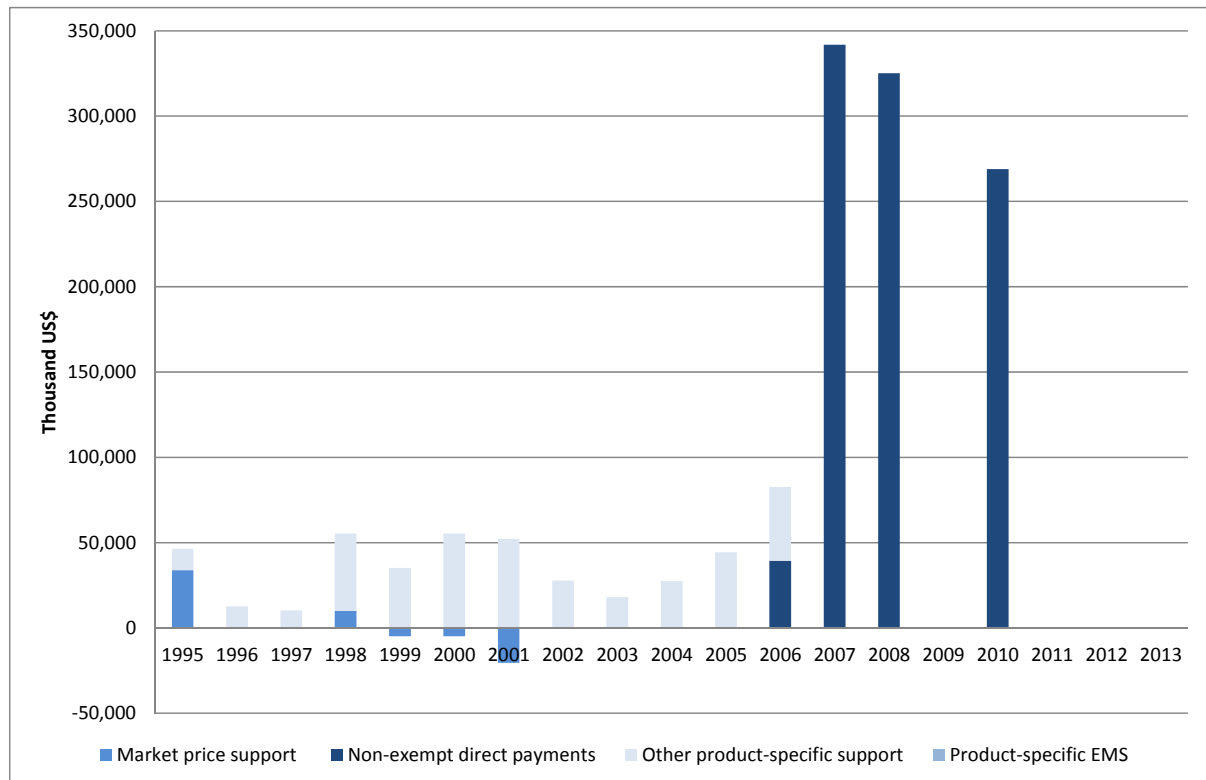


Chart 2.2: China

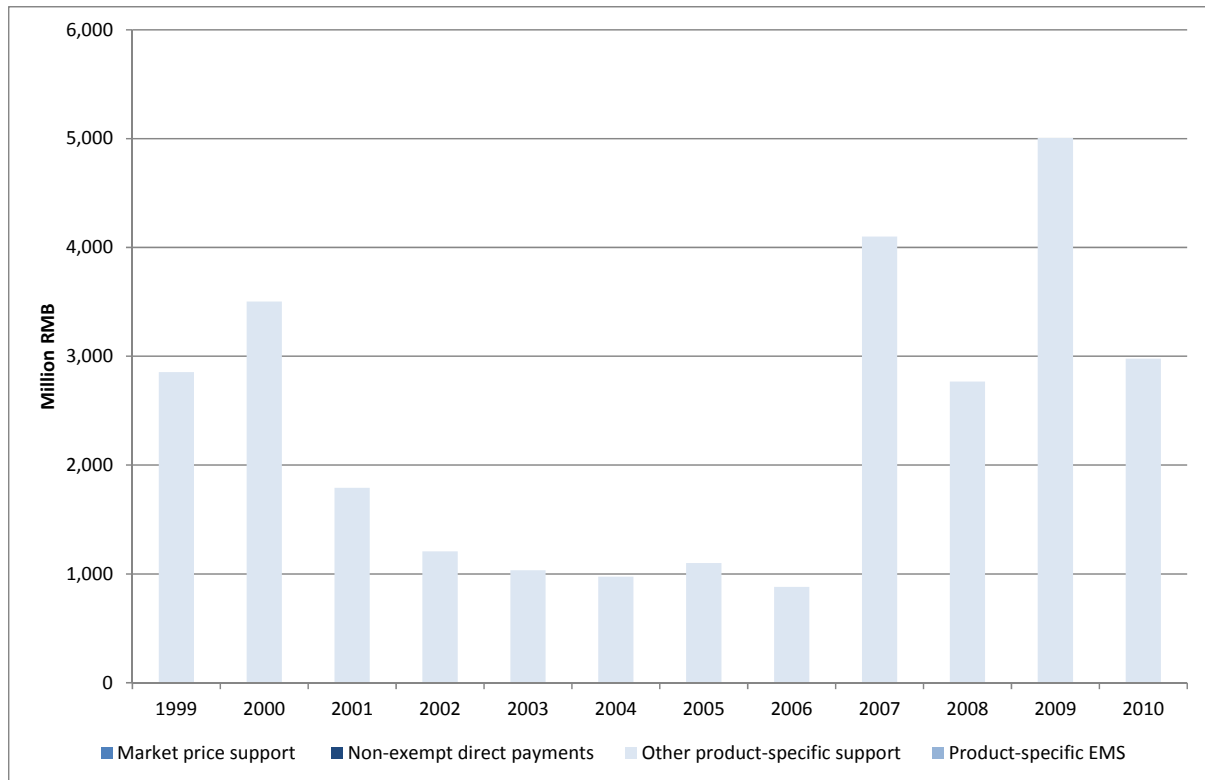


Chart 2.3: Colombia

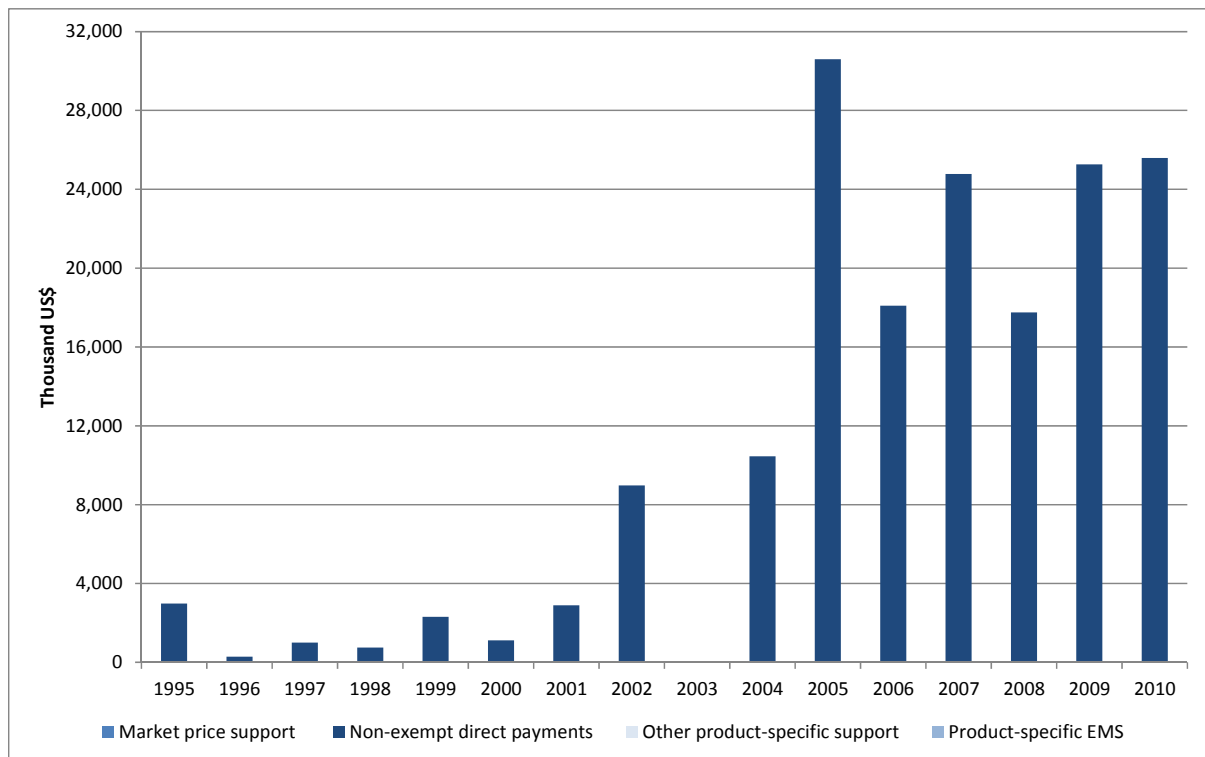


Chart 2.4: European Union

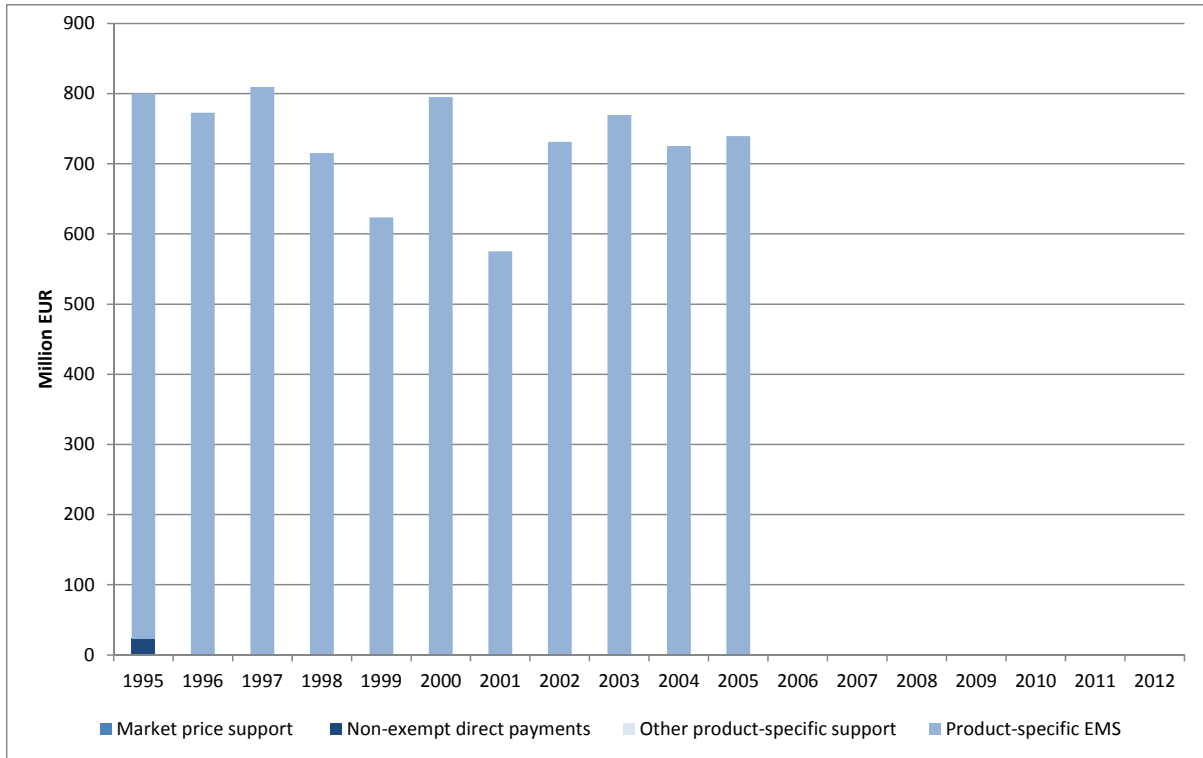


Chart 2.5: India

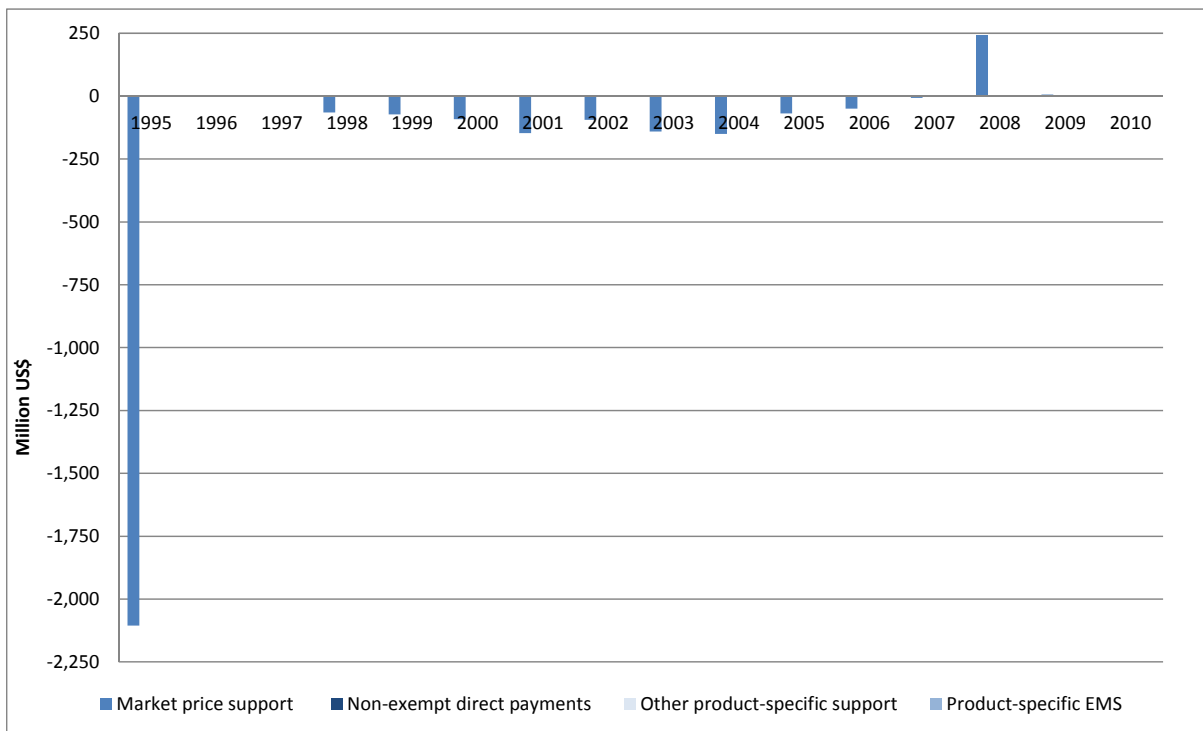


Chart 2.6: Israel

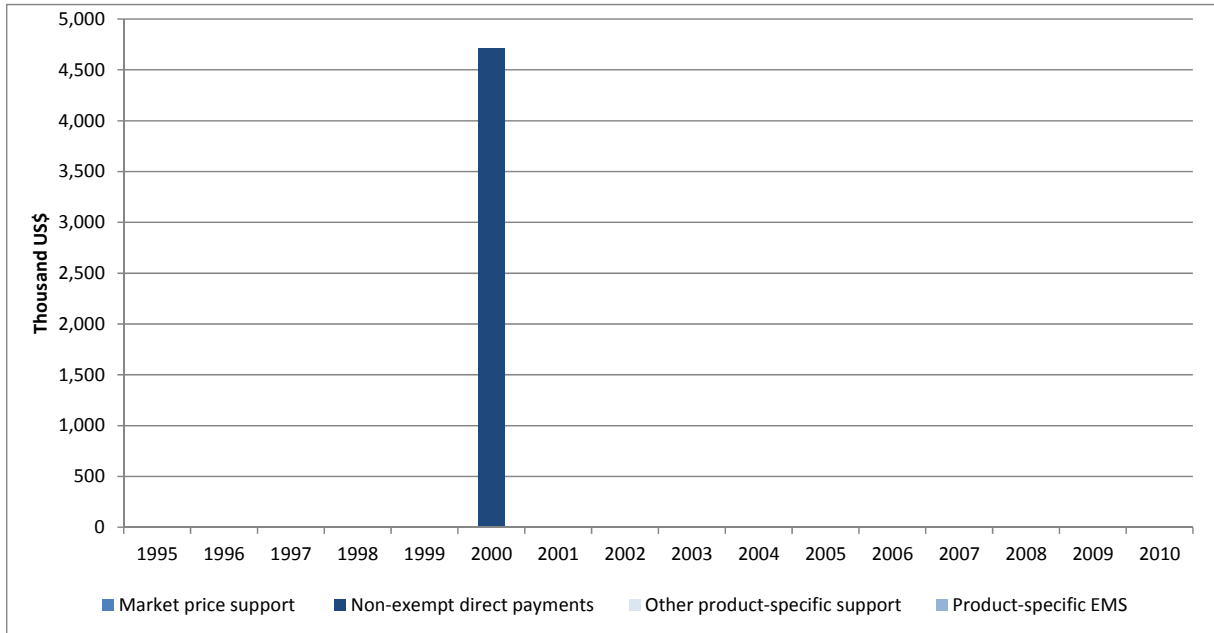


Chart 2.7: Mexico

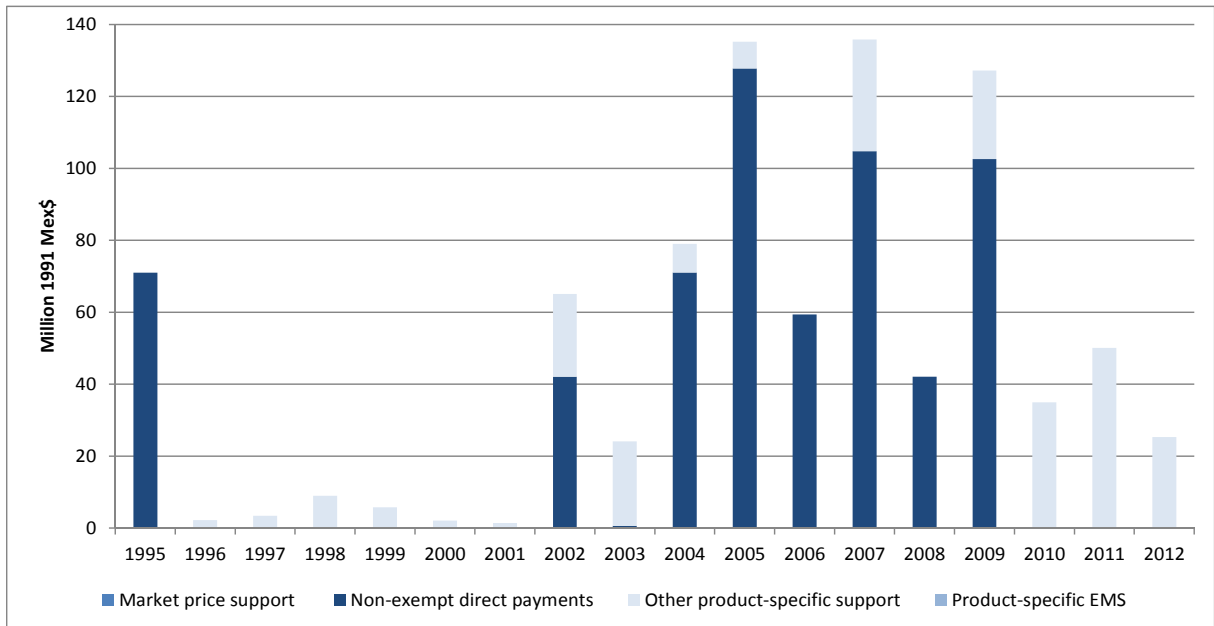


Chart 2.8: Peru

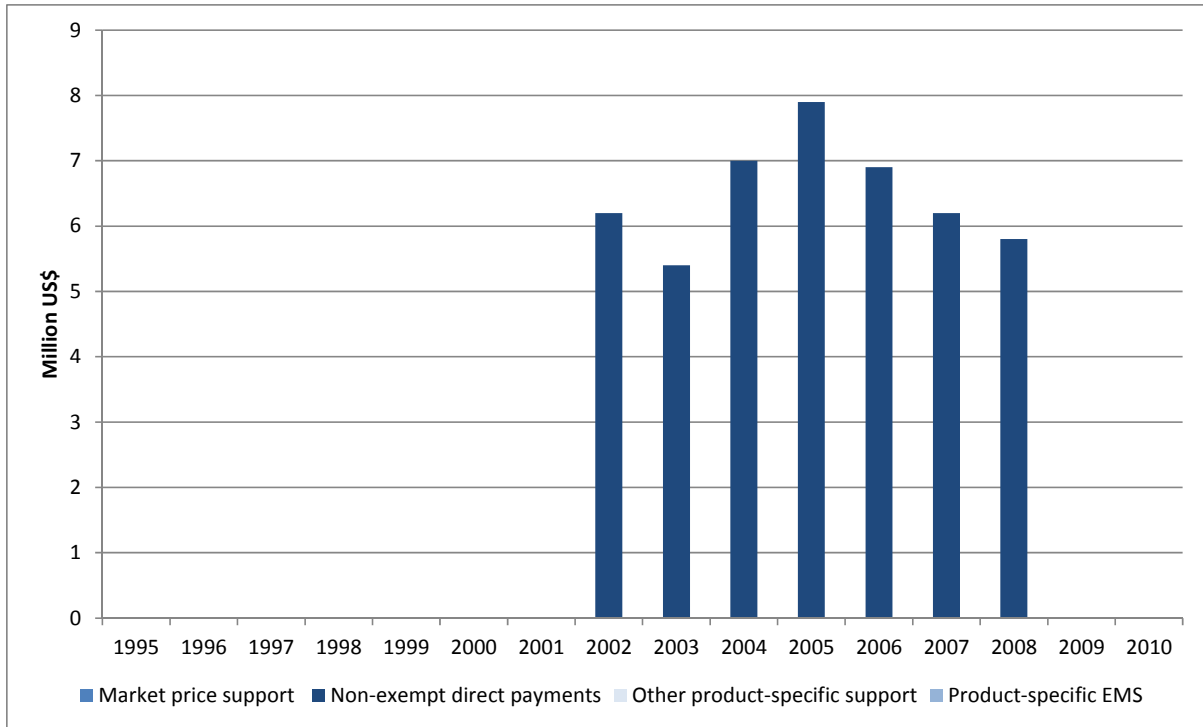


Chart 2.9: South Africa

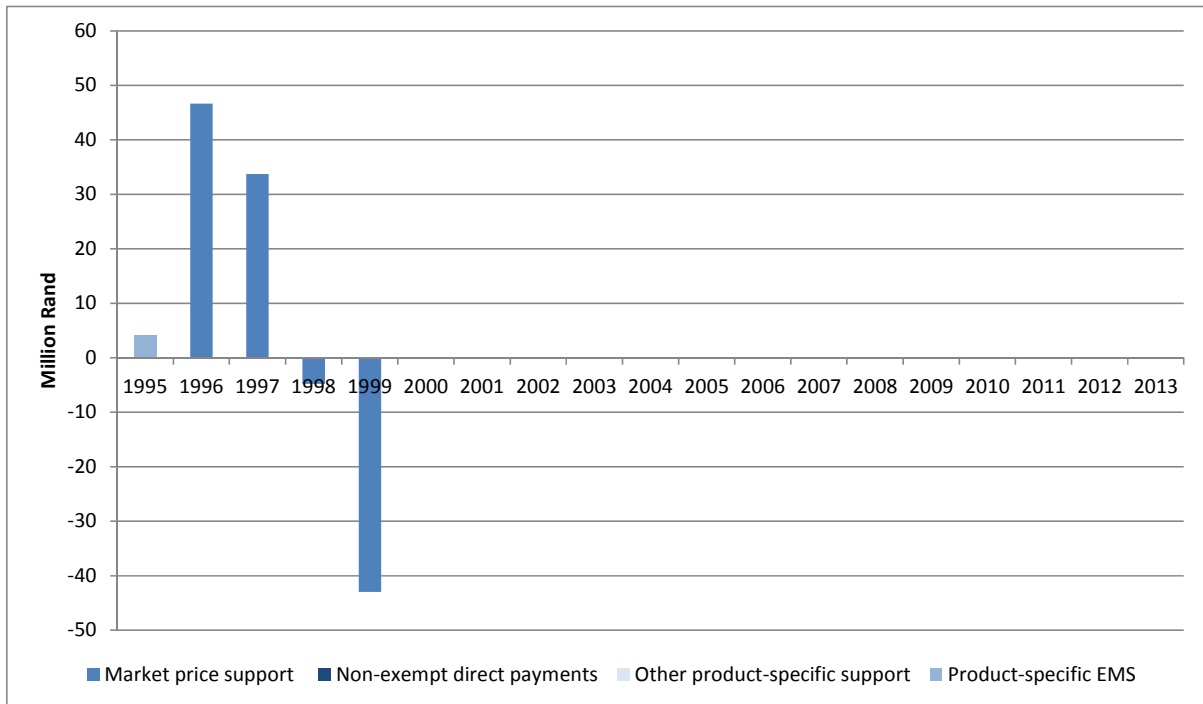


Chart 2.10: United States of America

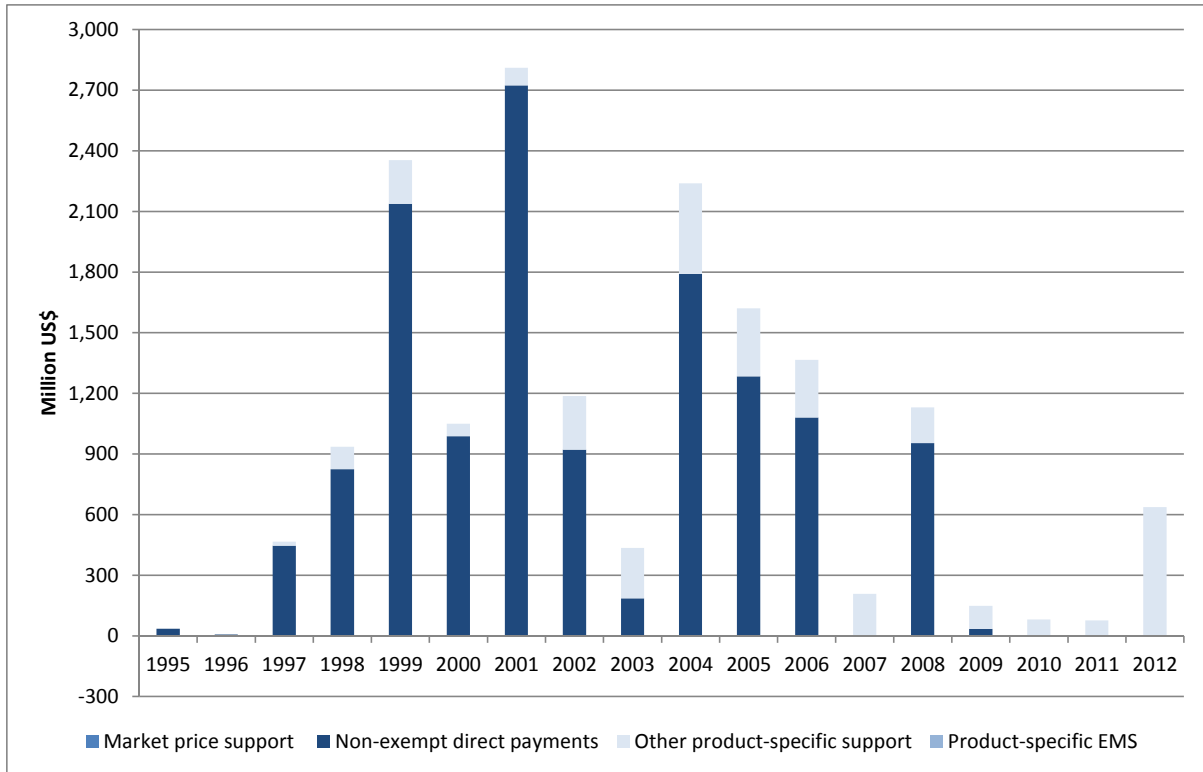
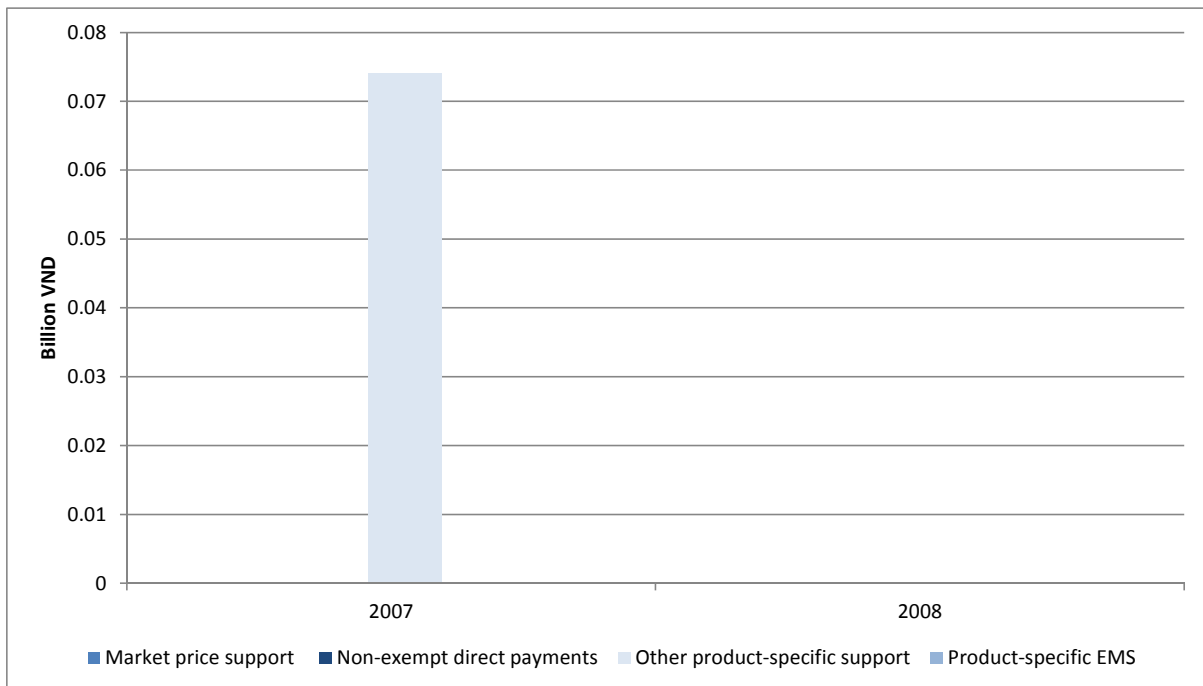


Chart 2.11: Viet Nam



Overview of cotton product-specific support, current total AMS and value of production for cotton

2.6. Further to Members' requests at the third dedicated discussion, the following table shows, for each Member listed in Section 2.1 and for the most recent year of notification, the level of product-specific AMS for cotton, together with the current Total AMS and the value of production for cotton (if available). For ease of comparison, product-specific AMS for cotton are further expressed in US dollars. The following column headings are used:

Member	Name of Member having notified product-specific support for cotton, as shown in Section 2.1.1;
Latest year notified	The most recent year for which a domestic support notification is available for the Member concerned;
Notified Currency	The currency used in the Member's notification;
Cotton-specific AMS	Product-specific support notified for cotton. Italic and underlined figures represent support notified as <i>de minimis</i> ;
Current Total AMS	Sum of all product-specific and non-product-specific AMS as notified in Table DS:1 or Supporting Table DS:4. "De minimis" represents cases where all product-specific and non-product specific support are notified as <i>de minimis</i> . "0" indicates that the Member has not notified any product-specific or non-product specific support;
VoP-cotton	Value of production data notified for cotton, if available;
Cotton-specific AMS in US\$	Product-specific support notified for cotton expressed in US dollars. Where data were provided in a currency other than US\$, the conversion to US\$ was made using the exchange rates from the IMF's "International Financial Statistics". The IMF exchange rates are year averages for the relevant year of notification of each Member. Italic and underlined figures represent support notified as <i>de minimis</i> .

Member	Latest year notified	Notified currency	Cotton-specific AMS	Current Total AMS	VoP-cotton	Cotton-specific AMS (Million US\$)
Brazil	2013	Thousand US\$	0	<i>de minimis</i>		0
China	2010	Million RMB	0 [<u>2,977</u>]	<i>de minimis</i>	160,420	0 [<u>446.55</u>]
Colombia	2010	Thousand US\$	25,592	25,592	77,454	25.592
European Union	2012	Million EUR	0	5899.1		0
India	2010	Million US\$	0	<i>de minimis</i>		0
Israel	2010	Thousand US\$	0	530,954	21,399	0
Mexico	2012	Million 1991 Mex\$	0 [<u>25.31</u>]	330.72	791.67	0 [<u>2.024</u>]
Peru	2010	Million US\$	0	<i>de minimis</i>		0
South Africa	2013	Million rand	0	0		0
United States of America	2012	Million US\$	636.148	6,863.273	7,748.402	636.148
Viet Nam	2008	Billion VND	0	<i>de minimis</i>	41	0

2.2 DIRECT PAYMENTS IN ACCORDANCE WITH ARTICLE 6.5

2.7. This section details the levels of direct payments for cotton in accordance with Article 6.5 as notified in Supporting Table DS:3. Since 1995, two Members have notified this type of support for cotton: the European Union from implementation year 2006 onwards and the United States for 1995 only.

2.8. The notified currency unit is indicated in brackets in the title for both Members.

2.9. The information presented in each table is also presented as a chart showing the level of the direct payment notified by the Member concerned.

European Union
(Million EUR)

Description of Measure	2006	2007	2008	2009	2010	2011	2012
Payments based on fixed area and yields: Cotton (Title IV, Chapter 10a of R 1782/2003) ¹	254.5	247.5	216.9	221.7	247.3	245.8	242.3

¹ As of 2009, the reference for the payment also includes Title IV, Chapter 1 of Regulation 73/2009.

United States of America

(Million US\$)

Description of Measure	1995
Payments based on 85% or less of base level of production: Deficiency payments for marketing year 1995 were only made on 85% of base acreage and program yields have been held constant.	901.022

Charts on direct payments for cotton in accordance with Article 6.5

Chart 2.12: European Union

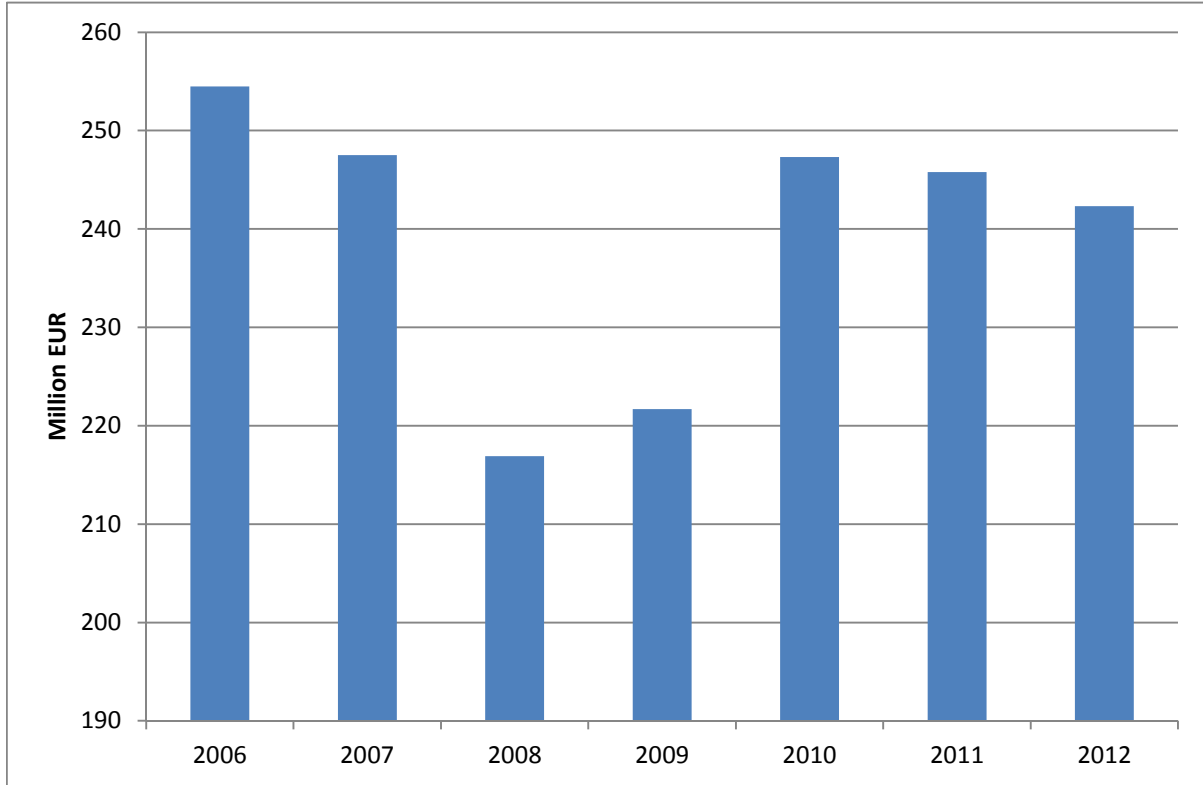
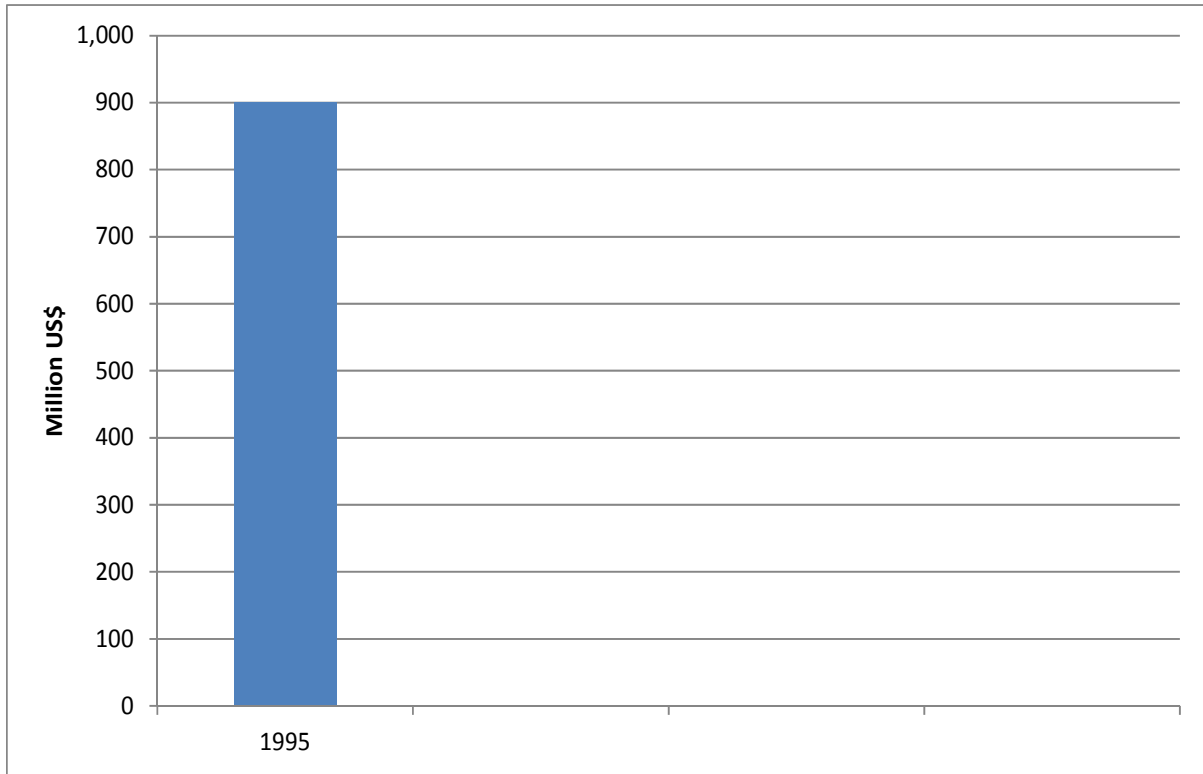


Chart 2.13: United States of America

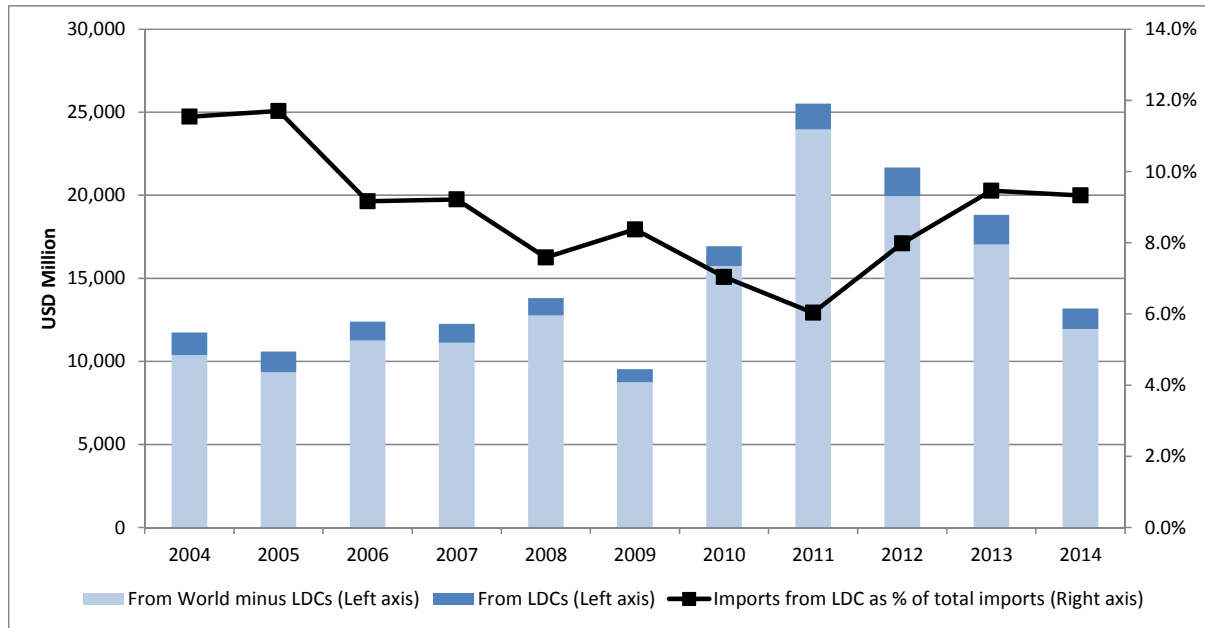


3 MARKET ACCESS

3.1. By way of an introduction to this Part on tariffs and non-tariff measures relevant to market access for cotton, the following overview charts show the evolution of total imports of cotton with a breakdown between imports from LDCs and from the rest of the world, in value and quantity, over the period 2004-2014.

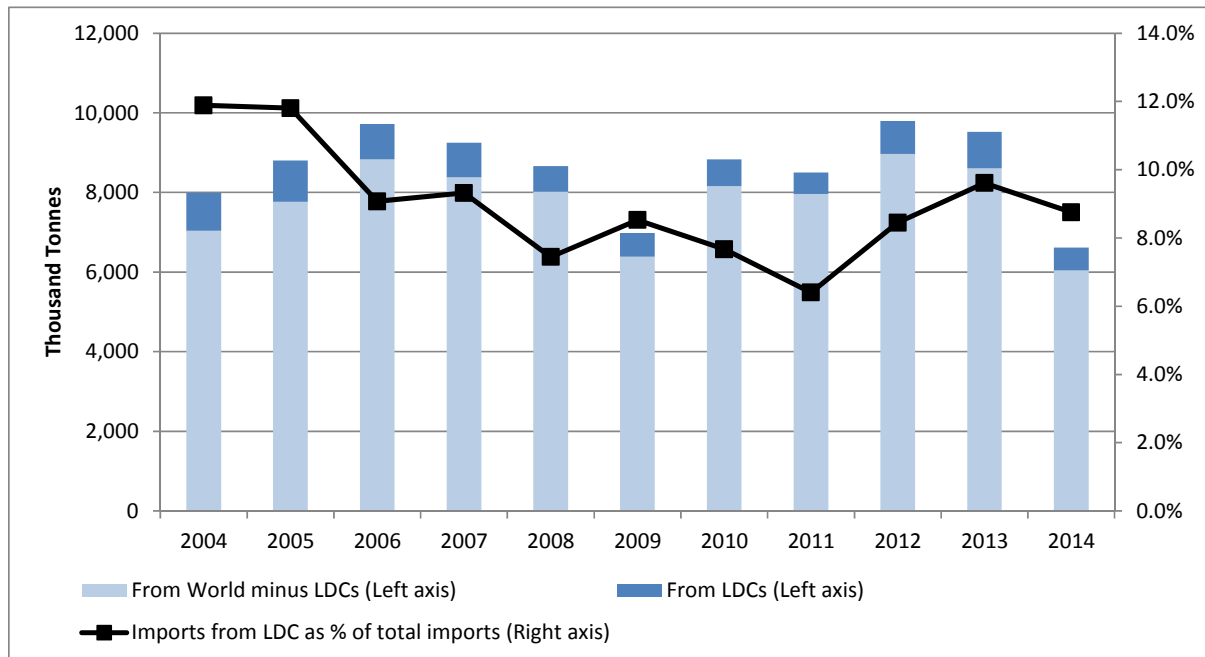
Charts on market access (overview)

Chart 3.1: Total imports of cotton¹ from World and LDCs, 2004-2014, value



¹ Sum of available reporters – Source UN Comtrade – HS codes 5201, 5202 and 5203.

Chart 3.2: Total imports of cotton¹ from World and LDCs, 2004-2014, quantity



¹ Sum of available reporters – Source UN Comtrade – HS codes 5201, 5202 and 5203.

3.2. The following overview tables show total imports of cotton and imports from LDCs, in value and quantity, for the 32 Members identified in paragraphs 8 to 10 of this paper. The last column shows the percentage of imports originating from LDCs.

Imports of cotton¹⁴ from World and LDCs, 2014¹⁵ in value (US\$ Million)

	World	LDC	Percentage of imports from LDCs (%)
Australia	0	0	0
Bahrain, Kingdom of	112	95	84
Bangladesh ¹	2,429	65	3
Brazil	68	25	37
Canada	8	0	0
China	5,099	278	5
Colombia	63	2	3
Egypt	177	44	25
European Union ²	470	58	12
Hong Kong, China	71	1	1
Iceland	0	0	0
India	506	183	36
Indonesia	1,402	230	16
Japan	157	0	0
Kenya ³	5	4	80
Korea, Republic of	564	2	0.4
Malaysia	136	17	13
Mauritius	44	35	80
Mexico	429	0	0
Morocco ³	72	9	13
New Zealand	0	0	0
Norway	1	0	0
Pakistan	524	77	15
Peru ³	128	1	0.8
Russian Federation ³	124	0	0
South Africa	55	39	70
Switzerland-Liechtenstein	30	0	0
Chinese Taipei ³	439	22	5
Thailand	690	107	16
Turkey	1,758	30	2
United States of America	29	0	0
Viet Nam ³	1,170	187	16

¹ Imports in 2011.

² Sum of EU member States (as reported to Comtrade), extra-trade.

³ Imports in 2013.

Source: UN Comtrade database.

¹⁴ HS codes 5201, 5202, 5203.

¹⁵ For those Members whose import statistics are not available for 2014, imports in previous years are listed.

Imports of cotton¹⁶ from World and LDCs, 2014¹⁷ in quantity (metric tonnes)

	World	LDC	Percentage of imports from LDCs (%)
Australia	223	0	0
Bahrain, Kingdom of	13,197	3,716	28
Bangladesh ¹	709,593	17,372	2
Brazil	37,129	13,972	38
Canada	12,167	4	0.0
China	2,539,833	141,407	6
Colombia	31,456	932	3
Egypt	76,436	19,853	26
European Union ²	277,531	31,754	11
Hong Kong, China	51,274	734	1
Iceland	9	0	0
India	232,756	93,770	40
Indonesia	705,564	117,515	17
Japan	74,833	202	0.3
Kenya ³	2,323	2,208	95
Korea, Republic of	268,410	1,188	0.4
Malaysia	69,395	9,658	14
Mauritius	21,390	17,385	81
Mexico	223,596	26	0.0
Morocco ³	35,005	4,317	12
New Zealand	16	0	0
Norway	163	0	0
Pakistan	241,004	32,141	13
Peru ³	57,730	296	0.5
Russian Federation ³	79,123	0	0
South Africa	31,519	22,333	71
Switzerland-Liechtenstein	12,399	1	0.0
Chinese Taipei ³	249,445	11,351	5
Thailand	335,660	54,119	16
Turkey	920,758	15,456	2
United States of America	19,206	0	0
Viet Nam ³	580,460	92,633	16

¹ Imports in 2011.

² Sum of EU member States (as reported to Comtrade), extra-trade.

³ Imports in 2013.

Source: UN Comtrade database.

3.3. As explained at the beginning of this background paper, this Part on Market Access provides information on the cotton tariff levels and the use of various non-tariff measures for the 32 Members identified as per paragraphs 8 to 10. Part Three is divided into four sections:

- Section 3.1 lists bound and applied tariffs for cotton based on (i) Members' schedules as reflected in the CTS database, and (ii) data on applied tariffs contained in the IDB database;
- Section 3.2 provides information on the special safeguard provisions for cotton based on Members' schedules and Table MA:3, MA:4 and MA:5 notifications;
- Section 3.3 provides information on cotton tariff rate quotas based on Members' schedules and Table MA:1 and MA:2 notifications; and
- Section 3.4 lists various other non-tariff measures, based on data contained in the WTO I-TIP Goods database and notifications under the Agreement on Import Licensing procedures.

¹⁶ HS codes 5201, 5202, 5203.

¹⁷ For those Members whose import statistics are not available for 2014, imports in previous years are listed.

3.1 TARIFFS

3.4. This section lists bound and applied duties for cotton for the 32 Members identified in paragraphs 8 to 10 of this paper.

3.5. The following first table shows the average and maximum bound and applied duties for the cotton product group¹⁸, as they appear in the World Tariff Profile 2015.¹⁹ The methodology used to calculate these average and maximum duties, in particular the averaging and the *ad valorem* equivalent calculation, can be found in the World Tariff Profile 2015.

Bound and Applied Tariff from World Tariff Profile 2015 for Cotton Product Group

Name	Average Duty (%)		Maximum Duty (%)	
	Bound	Applied (2014)	Bound	Applied (2014)
Australia	1.2	0	2	0
Bahrain, Kingdom of	35	5	35	5
Bangladesh ²⁰	200	3.5	200	5
Brazil	55	6.9	55	10
Canada	0.8	0	8	0
China	22	18	40	40
Colombia	75.8	5	99	5
Egypt	5	4	5	5
European Union	0	0	0	0
Hong Kong, China	0	0	0	0
Iceland	2.2	0	11	0
India	110	6	150	30
Indonesia	37.4	4	40	5
Japan	0	0	0	0
Kenya	100	0	100	0
Korea, Republic of	2	0	2	0
Malaysia	4	0	5	0
Mauritius	122	0	122	0
Mexico	39.4	0	45	0
Morocco	22	2.5	34	2.5
New Zealand	0	0	0	0
Norway	0	0	0	0
Pakistan	13	7.2	25	10
Peru	30	6	30	6
Russian Federation	0	0	0	0
South Africa	60	4.6	60	15
Switzerland	0	0	0	0
Chinese Taipei	0	0	0	0
Thailand	4.5	0	4.5	0
Turkey	10.92	0	12.6	0
United States of America	4.8	4.8	18.0	18.0
Viet Nam	14	6	20	10

¹⁸ Corresponding to the Harmonized System nomenclature 2012 (HS 2012) headings 52.01 to 52.03.

¹⁹ http://www.wto.org/english/res_e/reser_e/tariff_profiles_e.htm.

²⁰ In the case of Bangladesh data on applied duties for 2013

Bound and Applied Cotton Tariffs (most recent year available)

3.6. The series of tables below show, for each Member, scheduled bound cotton tariffs as reflected in the CTS database and the applied cotton tariffs as reported in the IDB database. The following column headings are used:

- BOUND DUTIES:** Bound duties presented according to the following column subheadings:
- Tariff line (HS year):** The tariff item number(s) as specified in the Member's schedule reproduced in the CTS file, using the HS nomenclature indicated in brackets;
 - Designation:** The product description for the corresponding tariff heading, subheading or line, as specified in the Member's schedule reproduced in the CTS file (in original language only);
 - Bound Duty:** The level of duty for the corresponding tariff line, as specified in the Member's schedule reproduced in the CTS file; and
 - Other Duty and Charges:** The level of other duties and charges (and related information) for the corresponding tariff line, as and when specified in the Member's schedule reproduced in the CTS file.

- APPLIED DUTIES:** Applied duties (for the most recent year available as indicated in brackets), presented according to the following column subheadings:
- Tariff line (HS year):** The tariff item number(s) as specified in the Member's IDB file, using the HS nomenclature indicated in brackets;
 - MFN:** The level of applied MFN duty for the corresponding tariff line, as specified in the Member's IDB file; and
 - LDC Preferential:** The level of duty for the corresponding tariff line, as specified in the Member's IDB file, applied in the context of a preferential regime for LDC imports. The absence of data in the column reflects either the absence of such a regime for that Member or the absence of information on such a regime within the IDB.

Australia

Bound Duties				Applied Duties (Year 2015)		
Tariff Line (HS 2002)	Designation	Bound Duty	Other Duties and Charges	Tariff Line (HS 2012)	MFN	LDC Preferential
520100	Cotton, not carded or combed	0%		52010000	0%	0%
5202	Cotton waste (including yarn waste and garnetted stock):					
520210	- Yarn waste (including thread waste)	2%		52021000	0%	0%
52029	- Other:					
520291	-- Garnetted stock	2%		52029100	0%	0%
520299	-- Other	2%		52029900	0%	0%
520300	Cotton, carded or combed	0%		52030000	0%	0%

Bahrain, Kingdom of

Bound Duties				Applied Duties (Year 2014)		
Tariff Line (HS 2002)	Designation	Bound Duty	Other Duties and Charges	Tariff Line (HS 2012)	MFN	LDC Preferential
52010000	Cotton, not carded or combed	35%		52010000	5%	
5202	Cotton waste (including yarn waste and garnetted stock)					
52021000	- Yarn waste (including thread waste)	35%		52021000	5%	
52029	- Other:					
52029100	-- Garnetted stock	35%		52029100	5%	
52029900	-- Other	35%		52029900	5%	
52030000	Cotton, carded or combed	35%		52030000	5%	

Bangladesh

Bound Duties				Applied Duties (Year 2013)		
Tariff Line (HS 1996)	Designation	Bound Duty	Other Duties and Charges	Tariff Line (HS 2012)	MFN	LDC Preferential
520100	Cotton, not carded or combed	200%		52010000	0%	
5202	Cotton waste (including yarn waste and garnetted stock)					
520210	- Yarn waste (including thread waste)	200%		52021000	5%	
52029	- Other:					
520291	-- Garnetted stock	200%		52029100	5%	
520299	-- Other	200%				
				52029910 ¹	0%	
				52029990 ²	5%	
520300	Cotton, carded or combed	200%		52030000	5%	

¹ Cotton waste.² Cotton waste, nes.**Brazil**

Bound Duties				Applied Duties (Year 2014)		
Tariff Line (HS 2002)	Designation	Bound Duty	Other Duties and Charges	Tariff Line (HS 2012)	MFN	LDC Preferential
520100	Algodón sin cardar ni peinar					
52010010	Sin desmotar	55%		52010010	6%	
52010020	Simplemente desmotado	55%		52010020	10%	
52010090	Los demás	55%		52010090	10%	
5202	Desperdicios de algodón (incluidos los desperdicios de hilados y las hilachas)					
52021000	Desperdicios de hilados	55%		52021000	6%	
52029	- Los demás:					
52029100	Hilachas	55%		52029100	6%	
52029900	Los demás	55%		52029900	6%	
52030000	Algodón cardado o peinado	55%		52030000	8%	

Canada

Bound Duties				Applied Duties (Year 2015)		
Tariff Line (HS 2002)	Designation	Bound Duty	Other Duties and Charges	Tariff Line (HS 2012)	MFN	LDC Preferential
52010000	Cotton, not carded or combed	0%		52010000	0%	0%
5202	Cotton waste (including yarn waste and garnetted stock)					
52021000	- Yarn waste (including thread waste)	0%		52021000	0%	0%
52029	- Other:					
52029100	-- Garnetted stock	0%		52029100	0%	0%
52029900	-- Other	0%		52029900	0%	0%
520300	Cotton, carded or combed			52030000	0%	0%
52030010	--- Slivers	0%				
52030090	--- Other	8%				

China

Bound Duties				Applied Duties (Year 2014)		
Tariff Line (HS 1996)	Designation	Bound Duty	Other Duties and Charges	Tariff Line (HS 2012)	MFN	LDC Preferential
5201	Cotton, not carded or combed					
52010000	- Cotton, not carded or combed	40%				
				5201000001 ¹	1%	1%
				5201000080 ²	0%	0%
				5201000090 ³	40%	40%
5202	Cotton waste (including yarn waste and garnetted stock)					
52021000	-Yarn waste (including thread waste)	10%		5202100000	10%	0%
52029	- Other:					
52029100	-- Garnetted stock	10%		5202910000	10%	0%
52029900	-- Other	10%		5202990000	10%	10%
5203	Cotton, carded or combed					
52030000	- Cotton, carded or combed	40%				
				5203000001 ⁴	1%	1%
				5203000090 ⁵	40%	40%

¹ Cotton, not carded or combed: Cotton, not carded or combed: Cotton, not carded or combed [including absorbent cotton (in-quota)].

² Cotton, not carded or combed: Cotton, not carded or combed: Cotton, not carded or combed [including absorbent cotton (custom, out-quota, interim)].

³ Cotton, not carded or combed: Cotton, not carded or combed: Cotton, not carded or combed [including absorbent cotton (out-quota)].

⁴ Cotton, carded or combed: Cotton, carded or combed: Cotton, carded or combed (in-quota).

⁵ Cotton, carded or combed: Cotton, carded or combed: Cotton, carded or combed (out-quota).

Colombia

Bound Duties				Applied Duties (Year 2014)		
Tariff Line (HS 2002)	Designation	Bound Duty	Other Duties and Charges	Tariff Line (HS 2012)	MFN	LDC Preferential
5201000000	Algodón sin cardar ni peinar	99%				
				5201001000 ¹	5%	
				5201002000 ²	5%	
				5201003000 ³	5%	
				5201009000 ⁴	5%	
5202	Desperdicios de algodón (incluidos los desperdicios de hilados y las hilachas)					
5202100000	- Desperdicios de hilados	70%		5202100000	5%	
52029	- Los demás:					
5202910000	-- Hilachas	70%		5202910000	5%	
5202990000	-- Los demás	70%		5202990000	5%	
5203000000	Algodón cardado o peinado	70%		5203000000	5%	

¹ De longitud de fibra superior a 34.92 mm (1 3/8 pulgada).

² De longitud de fibra superior a 28.57 mm (1 1/8 pulgada) pero inferior o igual a 34.92 mm (1 3/8 pulgada).

³ De longitud de fibra superior a 22.22 mm (7/8 pulgada) pero inferior o igual a 28.57 mm (1 1/8 pulgada).

⁴ De longitud de fibra inferior o igual a 22.22 mm (7/8 pulgada).

Egypt²¹

Bound Duties				Applied Duties (Year 2015)		
Tariff Line (HS 2002)	Designation	Bound Duty	Other Duties and Charges	Tariff Line (HS 2012)	MFN	LDC Preferential
52010000	Cotton, not carded or combed	5%		5201000010 ¹	0%	
				5201000030 ²	0%	
				5201000033 ³	0%	
				5201000034 ⁴	0%	
				5201000035 ⁵	0%	
				5201000036 ⁶	0%	
				5201000037 ⁷	0%	
				5201000038 ⁸	0%	
				5201000039 ⁹	0%	
				5201000041 ¹⁰	0%	
				5201000042 ¹¹	0%	
				5201000043 ¹²	0%	
				5201000044 ¹³	0%	
				5201000045 ¹⁴	0%	
				5201000046 ¹⁵	0%	
				5201000047 ¹⁶	0%	
				5201000048 ¹⁷	0%	
				5201000050 ¹⁸	0%	
				5201000090 ¹⁹	0%	
5202	Cotton waste (including yarn waste and garnetted stock)					
52021000	- Yarn waste (including thread waste)	5%		5202100000	5%	
52029	- Other:					
52029100	-- Garnetted stock	5%		5202910000	5%	
52029900	-- Other	5%		5202990000	5%	
52030000	Cotton, carded or combed	5%		5203000000	5%	

- ¹ Raw cotton not mixed Giza 45 not carded or combed, not ginned.
- ² Raw cotton not mixed Giza 31 not carded or combed, not ginned.
- ³ Raw cotton not mixed Giza 66 not carded or combed, not ginned.
- ⁴ Raw cotton not mixed Giza 67 not carded or combed, not ginned.
- ⁵ Raw cotton not mixed Giza 68 not carded or combed, not ginned.
- ⁶ Raw cotton not mixed Giza 69 not carded or combed, not ginned.
- ⁷ Raw cotton not mixed Giza 83 not carded or combed, not ginned.
- ⁸ Raw cotton not mixed Giza 84 not carded or combed, not ginned.
- ⁹ Raw cotton not mixed Giza 85 not carded or combed, not ginned.
- ¹⁰ Raw cotton not mixed Giza 76 not carded or combed, not ginned.
- ¹¹ Raw cotton not mixed Giza 77 not carded or combed, not ginned.
- ¹² Raw cotton not mixed Giza 80 not carded or combed, not ginned.
- ¹³ Raw cotton not mixed Giza 81 not carded or combed, not ginned.
- ¹⁴ Raw cotton not mixed Giza 82 not carded or combed, not ginned.
- ¹⁵ Raw cotton not mixed Giza 70 not carded or combed, not ginned.
- ¹⁶ Raw cotton not mixed Giza 72 not carded or combed, not ginned.
- ¹⁷ Raw cotton not mixed Giza 75 not carded or combed, not ginned.
- ¹⁸ Other cotton not carded or combed, not ginned.
- ¹⁹ Other cotton not carded or combed, ginned.

European Union

Bound Duties				Applied Duties (Year 2015)		
Tariff Line (HS 1996)	Designation	Bound Duty	Other Duties and Charges	Tariff Line (HS 2012)	MFN	LDC Preferential
5201	Cotton, not carded or combed:					
52010010	- Rendered absorbent or bleached	0%		52010010	0%	0%
52010090	- Other	0%		52010090	0%	0%

²¹ Information on 2015 applied cotton tariffs is provided in Egypt's reply to the questionnaire (Annex 4).

Bound Duties				Applied Duties (Year 2015)		
Tariff Line (HS 1996)	Designation	Bound Duty	Other Duties and Charges	Tariff Line (HS 2012)	MFN	LDC Preferential
5202	Cotton waste (including yarn waste and garnetted stock):					
52021000	- Yarn waste (including thread waste)	0%		52021000	0%	0%
52029	- Other:					
52029100	-- Garnetted stock	0%		52029100	0%	0%
52029900	-- Other	0%		52029900	0%	0%
52030000	Cotton, carded or combed	0%		52030000	0%	0%

Hong Kong, China

Bound Duties				Applied Duties (Year 2015)		
Tariff Line (HS 2002)	Designation	Bound Duty	Other Duties and Charges	Tariff Line (HS 2012)	MFN	LDC Preferential
52010000	Cotton, not carded or combed	0%		52010000	0%	
5202	Cotton waste (including yarn waste and garnetted stock).					
52021000	- Yarn waste (including thread waste)	0%		52021000	0%	
52029	- Other:					
52029100	-- Garnetted stock	0%		52029100	0%	
52029900	-- Other	0%		52029900	0%	
52030000	Cotton, carded or combed	0%		52030000	0%	

Iceland

Bound Duties				Applied Duties (Year 2014)		
Tariff Line (HS 1996)	Designation	Bound Duty	Other Duties and Charges	Tariff Line (HS 2012)	MFN	LDC Preferential
5201	Cotton, not carded or combed					
52010000	- Cotton, not carded or combed	0%		52010000	0%	0%
5202	Cotton waste (including yarn waste and garnetted stock)					
52021000	- Yarn waste (including thread waste)	11%		52021000	0%	0%
52029	- Other:					
52029100	-- Garnetted stock	0%		52029100	0%	0%
52029900	-- Other	0%		52029900	0%	0%
5203	Cotton, carded or combed					
52030000	- Cotton, carded or combed	0%		52030000	0%	0%

India

Bound Duties				Applied Duties (Year 2014)		
Tariff Line (HS 2002)	Designation	Bound Duty	Other Duties and Charges	Tariff Line (HS 2012)	MFN	LDC Preferential
52010000	Cotton, not carded or combed	100%				
				52010011 ¹	0%	0%
				52010012 ²	0%	0%
				52010013 ³	0%	0%
				52010014 ⁴	0%	0%
				52010015 ⁵	0%	0%
				52010019 ⁶	0%	0%
				52010020 ⁷	0%	0%
5202	Cotton waste (including yarn waste and garnetted stock)					
52021000	- Yarn waste (including thread waste)	100%		52021000	0%	0%

Bound Duties				Applied Duties (Year 2014)		
Tariff Line (HS 2002)	Designation	Bound Duty	Other Duties and Charges	Tariff Line (HS 2012)	MFN	LDC Preferential
52029	- Other:					
52029100	-- Garnetted stock	100%		52029100	0%	0%
52029900	-- Other	100%		52029900	0%	0%
52030000	Cotton, carded or combed	150%		52030000	30%	0%

¹ Bengal deshi.

² Indian cotton of staple lengths 20.5 mm (25/32") and below (e.g. oomras, yellow picking, Assam Comillas).

³ Indian cotton of staple length exceeding 20.5mm (26/32") and but not exceeding 24.5mm (30/32").

⁴ Indian cotton of staple length over 24.5 mm (31/32") to 28 mm.

⁵ Indian cotton of staple length 28.5 mm (1 4/32") and above but below 34.5 mm.

⁶ Indian cotton of all staple length 34.5 mm and above (1 12/32").

⁷ Cotton, other than Indian, of all staple lengths.

Indonesia

Bound Duties				Applied Duties (Year 2014)		
Tariff Line (HS 1996)	Designation	Bound Duty	Other Duties and Charges	Tariff Line (HS 2012)	MFN	LDC Preferential
5201	Cotton, not carded or combed					
520100000	- Cotton, not carded or combed	27%		5201000000	0%	
5202	Cotton waste (including yarn waste and garnetted stock)					
520210000	- Yarn waste (including thread waste)	40%		5202100000	5%	
52029	- Other:					
520291000	-- Garnetted stock	40%		5202910000	5%	
520299000	-- Other:	40%		5202990000	5%	
5203	Cotton, carded or combed					
520300000	- Cotton, carded or combed	40%		5203000000	5%	

Japan

Bound Duties				Applied Duties (Year 2014)		
Tariff Line (HS 2002)	Designation	Bound Duty	Other Duties and Charges	Tariff Line (HS 2012)	MFN	LDC Preferential
520100	- Cotton, not carded or combed	0%		520100000	0%	0%
5202	Cotton waste (including yarn waste and garnetted stock)					
520210	- Yarn waste (including thread waste)	0%		520210000	0%	0%
52029	- Other:					
520291	-- Garnetted stock	0%		520291000	0%	0%
520299	-- Other	0%		520299000	0%	0%
520300	- Cotton, carded or combed	0%		520300000	0%	0%

Kenya

Bound Duties				Applied Duties (Year 2014)		
Tariff Line (HS 2002)	Designation	Bound Duty	Other Duties and Charges	Tariff Line (HS 2012)	MFN	LDC Preferential
52010000	Cotton, not carded or combed.	100%		52010000	0%	
5202	Cotton waste (including yarn waste and garnetted stock).					
52021000	- Yarn waste (including thread waste)	100%		52021000	0%	
52029	- Other:					
52029100	-- Garnetted stock	100%		52029100	0%	
52029900	-- Other	100%		52029900	0%	

Bound Duties				Applied Duties (Year 2014)		
Tariff Line (HS 2002)	Designation	Bound Duty	Other Duties and Charges	Tariff Line (HS 2012)	MFN	LDC Preferential
52030000	Cotton, carded or combed	100%		52030000	0%	

Korea, Republic of

Bound Duties				Applied Duties (Year 2015)		
Tariff Line (HS 2002)	Designation	Bound Duty	Other Duties and Charges	Tariff Line (HS 2012)	MFN	LDC Preferential
520100	Cotton, not carded or combed					
5201001000	--- Seed cotton	2%		5201001000	0%	0%
52010090	--- Other					
5201009010	----- Less than 232 mm (7/8 inch) of fibre-length	2%		5201009010	0%	0%
5201009020	----- Not less than 232 mm (7/8 inch), but less than 254 mm (1 inch) of fibre-length	2%		5201009020	0%	0%
5201009030	----- Not less than 254 mm (1 inch), but less than 285 mm (11/8 inch) of fibre-length	2%		5201009030	0%	0%
5201009050	----- Not less than 285 mm (1-1/8 inch), but less than 349 mm (1-3/8 inch) of fiber length	2%		5201009050	0%	0%
5201009060	----- Not less than 349 mm (1-3/8 inch) of fiber-length	2%		5201009060	0%	0%
5202	Cotton waste (including yarn waste and garnetted stock)					
5202100000	--- 1. Yarn waste (including thread waste)	2%		5202100000	0%	0%
52029	- 2. Other:					
5202910000	--- A. Garnetted stock	2%		5202910000	0%	0%
5202990000	--- B. Other	2%		5202990000	0%	0%
5203000000	--- Cotton, carded or combed	2%		5203000000	0%	0%

Malaysia

Bound Duties				Applied Duties (Year 2013)		
Tariff Line (HS 2002)	Designation	Bound Duty	Other Duties and Charges	Tariff Line (HS 2012)	MFN	LDC Preferential
520100000	Cotton, not carded or combed	0%		520100000	0%	
5202	Cotton waste (including yarn waste and garnetted stock)					
520210000	- Yarn waste (including thread waste)	5%		520210000	0%	
52029	- Other:					
520291000	-- Garnetted stock	5%		520291000	0%	
520299000	-- Other	5%		520299000	0%	
520300000	Cotton, carded or combed	5%		520300000	0%	

Mauritius

Bound Duties				Applied Duties (Year 2015)		
Tariff Line (HS 2002)	Designation	Bound Duty	Other Duties and Charges	Tariff Line (HS 2012)	MFN	LDC Preferential
52010000	Cotton, not carded or combed	122%		52010000	0%	
5202	Cotton waste (including yarn waste and garnetted stock)					
52021000	- Yarn waste (including thread waste)	122%		52021000	0%	
52029	- Other:					
52029100	-- Garnetted stock	122%		52029100	0%	
52029900	-- Other	122%		52029900	0%	

Bound Duties				Applied Duties (Year 2015)		
Tariff Line (HS 2002)	Designation	Bound Duty	Other Duties and Charges	Tariff Line (HS 2012)	MFN	LDC Preferential
52030000	Cotton, carded or combed	122%		52030000	0%	

Mexico

Bound Duties				Applied Duties (Year 2015)		
Tariff Line (HS 2002)	Designation	Bound Duty	Other Duties and Charges	Tariff Line (HS 2012)	MFN	LDC Preferential
520100	Algodón sin cardar ni peinar	45%				
				52010001 ¹	0%	
				52010002 ²	0%	
				52010099 ³	0%	
5202	Desperdicios de algodón (incluidos los desperdicios de hilados y las hilachas)					
520210	Desperdicios de hilados	37%		52021001	0%	
52029	- Los demás:					
520291	Hilachas	37%		52029101	0%	
520299	-- Los demás					
52029901	Borra	37%		52029901	0%	
52029999	Demás	45%		52029999	0%	
520300	Algodón cardado o peinado	37%		52030001	0%	

¹ Con pepita.

² Sin pepita, de fibra con más de 29 mm de longitud.

³ Los demás.

Morocco

Bound Duties				Applied Duties (Year 2015)		
Tariff Line (HS 2002)	Designation	Bound Duty	Other Duties and Charges	Tariff Line (HS 2012)	MFN	LDC Preferential
5201	Coton, non cardé ni peigné					
5201000010	---- non égrené	19%		5201000010	2.5%	2.5%
5201000091	---- égrené:					
5201000091	---- é cru	19%		5201000091	2.5%	0%
5201000099	---- autres	19%		5201000099	2.5%	0%
5202	Déchets de coton (y compris les déchets de fils et les effilochés).					
520210	- Déchets de fils					
5202100010	--- déchets de fils pour essuyages industriels	19%		5202100010	2.5%	2.5%
5202100090	--- autres	19%		5202100090	2.5%	2.5%
52029	- Autres:					
5202910000	-- Effilochés	19%		5202910000	2.5%	2.5%
5202990000	-- Autres	19%		5202990000	2.5%	2.5%
5203	Coton, cardé ou peigné					
52030010	--- é cru, dé crué ou blanchi:					
5203001010	---- é cru	34%		5203001010	2.5%	2.5%
5203001020	---- dé crué	34%		5203001020	2.5%	2.5%
5203001090	---- blanchi	34%		5203001090	2.5%	2.5%
5203009000	--- autres	34%		5203009000	2.5%	2.5%

New Zealand

Bound Duties				Applied Duties (Year 2015)		
Tariff Line (HS 2002)	Designation	Bound Duty	Other Duties and Charges	Tariff Line (HS 2012)	MFN	LDC Preferential
52010000	Cotton, not carded or combed	0%		52010000	0%	0%
5202	Cotton waste (including yarn waste and garnetted stock):					
52021000	- Yarn waste (including thread waste)	0%		52021000	0%	0%
52029	- Other:					
52029100	-- Garnetted stock	0%		52029100	0%	0%
52029900	-- Other	0%		52029900	0%	0%
52030000	Cotton, carded or combed	0%		52030000	0%	0%

Norway

Bound Duties				Applied Duties (Year 2015)		
Tariff Line (HS 2002)	Designation	Bound Duty	Other Duties and Charges	Tariff Line (HS 2012)	MFN	LDC Preferential
5201000	Cotton, not carded or combed	0%		52010000	0%	0%
5202	Cotton waste (including yarn waste and garnetted stock):					
5202100	- Yarn waste (including thread waste)	0%		52021000	0%	0%
52029	- Other:					
5202910	-- Garnetted stock	0%		52029100	0%	0%
5202990	-- Other	0%		52029900	0%	0%
5203000	Cotton, carded or combed	0%		52030000	0%	0%

Pakistan

Bound Duties				Applied Duties (Year 2014)		
Tariff Line (HS 2002)	Designation	Bound Duty	Other Duties and Charges	Tariff Line (HS 2012)	MFN	LDC Preferential
520100	Cotton, not carded or combed					
52010010	--- American	5%				
52010020	--- Egyptian	5%				
				52010030 ¹	1%	
				52010040 ²	1%	
				52010050 ³	1%	
				52010060 ⁴	1%	
				52010070 ⁵	1%	
				52010080 ⁶	1%	
52010090	--- Other	5%		52010090	1%	
5202	Cotton waste (including yarn waste and garnetted stock):					
52021000	- Yarn waste (including thread waste)	25%		52021000	10%	
52029	- Other:					
52029100	-- Garnetted stock	15%		52029100	10%	
52029900	-- Other	15%		52029900	10%	
52030000	Cotton, carded or combed	5%		52030000	5%	

¹ Length not exceeding 20.5 mm.² Length exceeding 20.5 mm but not exceeding 24.5 mm.³ Length exceeding 24.5 mm but not exceeding 28.5 mm.⁴ Length exceeding 28.5 mm but not exceeding 31 mm.⁵ Length exceeding 31 mm but not exceeding 34.5 mm.⁶ Length exceeding 34.5 mm.

Peru

Bound Duties				Applied Duties (Year 2015)		
Tariff Line (HS 2002)	Designation	Bound Duty	Other Duties and Charges	Tariff Line (HS 2012)	MFN	LDC Preferential
5201000000	---Algodón sin cardar ni peinar.	30%				
				5201001000 ¹	6%	
				5201002000 ²	6%	
				5201003000 ³	6%	
				5201009000 ⁴	6%	
5202	Desperdicios de algodón (incluidos los desperdicios de hilados y las hilachas)					
5202100000	- Desperdicios de hilados	30%		5202100000	0%	
52029	- Los demás:					
5202910000	-- Hilachas	30%		5202910000	0%	
5202990000	-- Los demás	30%		5202990000	0%	
5203000000	--- Algodón cardado o peinado	30%		5203000000	6%	

¹ De longitud de fibra superior a 34.92 mm (1 3/8 pulgada).

² De longitud de fibra superior a 28.57 mm (1 1/8 pulgada) pero inferior o igual a 34.92 mm (1 3/8 pulgada).

³ De longitud de fibra superior a 22.22 mm (7/8 pulgada) pero inferior o igual a 28.57 mm (1 1/8 pulgada).

⁴ De longitud de fibra inferior o igual a 22.22 mm (7/8 pulgada).

Russian Federation

Bound Duties				Applied Duties (Year 2014)		
Tariff Line (HS 2007)	Designation	Bound Duty	Other Duties and Charges	Tariff Line (HS 2012)	MFN	LDC Preferential
520100	Cotton, not carded or combed:					
5201001000	- rendered absorbent or bleached	0%		5201001000	0%	0%
5201009000	- other	0%		5201009000	0%	0%
5202	Cotton waste (including yarn waste and garnetted stock):					
5202100000	- yarn waste (including thread waste)	0%		5202100000	0%	0%
52029	- other:					
5202910000	-- garnetted stock	0%		5202910000	0%	0%
5202990000	-- other	0%		5202990000	0%	0%
5203000000	Cotton, carded or combed	0%		5203000000	0%	0%

South Africa

Bound Duties				Applied Duties (Year 2015)		
Tariff Line (HS 2002)	Designation	Bound Duty	Other Duties and Charges	Tariff Line (HS 2012)	MFN	LDC Preferential
520100	Cotton, not carded or combed					
52010010	--- Not ginned	60%	4.4c/kg cotton fibre (Normal levy)+3.3c/kg cotton fibre (Special levy)	52010010	0%	
52010020	--- Ginned but not further processed	60%	4.4c/kg cotton fibre (Normal levy)+3.3c/kg cotton fibre (Special levy)	52010020	160c/kg ¹	
52010090	--- Other	60%	4.4c/kg cotton fibre (Normal levy)+3.3c/kg cotton fibre (Special levy)	52010090	15%	
5202	Cotton waste (including yarn waste and garnetted stock):					
520210	- Yarn waste (including thread waste)			52021000	0%	
52021010	--- Unprocessed	60%				
52021090	--- Other	60%				

Bound Duties				Applied Duties (Year 2015)		
Tariff Line (HS 2002)	Designation	Bound Duty	Other Duties and Charges	Tariff Line (HS 2012)	MFN	LDC Preferential
52029	- Other:					
520291	-- Garnetted stock					
52029110	--- Unprocessed	60%		52029100	0%	
52029190	--- Other	60%				
520299	-- Other			52029900	0%	
52029910	--- Unprocessed	60%				
52029990	--- Other	60%				
52030000	Cotton, carded or combed	60%		52030000	15%	

¹ "c/kg" stands for rand cent per kilo.

Switzerland

Bound Duties				Applied Duties (Year 2015)		
Tariff Line (HS 2002)	Designation	Bound Duty	Other Duties and Charges	Tariff Line (HS 2012)	MFN	LDC Preferential
520100	Coton, non cardé ni peigné					
52010010	--- blanchi et dégraissé (hydrophile)	0%		52010010	0%	0%
52010090	--- autres	0%		52010090	0%	0%
5202	Déchets de coton (y compris les déchets de fils et les effilochés)					
52021000	- déchets de fils	0%		52021000	0%	0%
52029	- Autres:					
52029100	-- effilochés	0%		52029100	0%	0%
52029900	-- autres	0%		52029900	0%	0%
52030000	- Coton, cardé ou peigné	0%		52030000	0%	0%

Chinese Taipei

Bound Duties				Applied Duties (Year 2015)		
Tariff Line (HS 2002)	Designation	Bound Duty	Other Duties and Charges	Tariff Line (HS 2012)	MFN	LDC Preferential
52010000	Cotton, not carded or combed	0%		52010000	0%	0%
5202	Cotton waste (including yarn waste and garnetted stock)					
52021000	Yarn waste (including thread waste)	0%		52021000	0%	0%
52029	Other:					
52029100	Garnetted cotton stock	0%		52029100	0%	0%
52029900	Other cotton waste	0%		52029900	0%	0%
52030000	Cotton, carded or combed	0%		52030000	0%	0%

Thailand

Bound Duties				Applied Duties (Year 2014)		
Tariff Line (HS 2002)	Designation	Bound Duty	Other Duties and Charges	Tariff Line (HS 2012)	MFN	LDC Preferential
520100	Cotton, not carded or combed	4.5%		52010000	0%	
5202	Cotton waste (including yarn waste and garnetted stock)					
520210	- Yarn waste (including thread waste)	4.5%		52021000	0%	
52029	- Other:					
520291	-- Garnetted stock	4.5%		52029100	0%	
520299	-- Other	4.5%		52029900	0%	
520300	Cotton, carded or combed	4.5%		52030000	0%	

Turkey

Bound Duties				Applied Duties (Year 2013)		
Tariff Line (HS 2002)	Designation	Bound Duty	Other Duties and Charges	Tariff Line (HS 2012)	MFN	LDC Preferential
520100	Cotton, not carded or combed					
5201001000	- Rendered absorbent or bleached	6%	- Municipality share: 15% of customs duty, - Transportation infrastructure fee: 3% (in case of road, rail or air Transport) or 4% (in case of maritime transport) of the sum of CIF value, customs duty and other charges mentioned above.	5201001000	0%	0%
5201009000	- Other	6%	- Municipality share: 15% of customs duty, - Transportation infrastructure fee: 3% (in case of road, rail or air Transport) or 4% (in case of maritime transport) of the sum of CIF value, customs duty and other charges mentioned above.	5201009000	0%	0%
5202	Cotton waste (including yarn waste and garnetted stock)					
5202100000	- Yarn waste (including thread waste)	12%	- Municipality share: 15% of customs duty, - Transportation infrastructure fee: 3% (in case of road, rail or air Transport) or 4% (in case of maritime transport) of the sum of CIF value, customs duty and other charges mentioned above.	5202100000	0%	0%
52029	- Other:					
5202910000	-- Garnetted stock	12%	- Municipality share: 15% of customs duty, - Transportation infrastructure fee: 3% (in case of road, rail or air Transport) or 4% (in case of maritime transport) of the sum of CIF value, customs duty and other charges mentioned above.	5202910000	0%	0%
5202990000	-- Other	12%	- Municipality share: 15% of customs duty, - Transportation infrastructure fee: 3% (in case of road, rail or air Transport) or 4% (in case of maritime transport) of the sum of CIF value, customs duty and other charges mentioned above.	5202990000	0%	0%
5203000000	Cotton, carded or combed	12.6%	- Municipality share: 15% of customs duty, - Transportation infrastructure fee: 3% (in case of road, rail or air Transport) or 4% (in case of maritime transport) of the sum of CIF value, customs duty and other charges mentioned above.	5203000000	0%	0%

United States of America

Bound Duties				Applied Duties (Year 2015)		
Tariff Line (HS 2002)	Designation	Bound Duty	Other Duties and Charges	Tariff Line (HS 2012)	MFN	LDC Preferential
520100	Cotton, not carded or combed:					
	- Having a staple length under 28.575 mm (1-1/8 inches):					
52010005	-- Harsh or rough, having a staple length under 19.05 mm (3/4 inch)	0%		52010005	0%	0%
	-- Other:					
52010012	--- Described in general note 4 of the tariff schedule and entered pursuant to its provisions	0%		52010012	0%	0%

Bound Duties				Applied Duties (Year 2015)		
Tariff Line (HS 2002)	Designation	Bound Duty	Other Duties and Charges	Tariff Line (HS 2012)	MFN	LDC Preferential
52010014 ¹	--- Described in U.S. Tariff-Rate Quota Notifications, TRQID USA035	0%		52010014	0%	0%
52010018	--- Other	31.4¢/kg		52010018	31.4¢/kg	31.4¢/kg
	- Having a staple length of 28.575 mm (1-1/8 inches) or more but under 34.925 mm (1-3/8 inches):					
52010022	-- Described in general note 4 of the tariff schedule and entered pursuant to its provisions	4.4¢/kg		52010022	4.4¢/kg	0%
	-- Other, harsh or rough, having a staple length of 29.36875 mm (1-5/32 inches) or more and white in colour (except cotton of perished staple, grabbotts and cotton pickings):					
52010024 ¹	--- Described in U.S. Tariff-Rate Quota Notifications, TRQID USA036	4.4¢/kg		52010024	4.4¢/kg	0%
52010028	--- Other	31.4¢/kg		52010028	31.4¢/kg	31.4¢/kg
	-- Other:					
52010034 ¹	--- Described in U.S. Tariff-Rate Quota Notifications, TRQID USA037	4.4¢/kg		52010034	4.4¢/kg	0%
52010038	--- Other	31.4¢/kg		52010038	31.4¢/kg	31.4¢/kg
	- Having a staple length of 34.925 mm (1-3/8 inches) or more:					
52010055	-- Described in general note 4 of the tariff schedule and entered pursuant to its provisions	1.5¢/kg		52010055	1.5¢/kg	1.5¢/kg
52010060 ¹	-- Described in U.S. Tariff-Rate Quota Notifications, TRQID USA038	1.5¢/kg		52010060	1.5¢/kg	1.5¢/kg
52010080	-- Other	31.4¢/kg		52010080	31.4¢/kg	31.4¢/kg
5202	Cotton waste (including yarn waste and garnetted stock):					
52021000	- Yarn waste (including thread waste)	0%		52021000	0%	0%
	- Other:					
52029100	-- Garnetted stock			52029100	4.3%	0%
5202910001	--- Having a staple length under 28.575 mm (1-1/8 inches)	4.3%				
5202910002	--- Having a staple length 28.575 mm (1-1/8 inches) or more	4.3%				
520299	-- Other:					
	--- Card strips made from cotton having a staple length under 30.1625 mm (1-3/16 inches) and lap waste, sliver waste and roving waste:					
52029905	---- Described in general note 4 of the tariff schedule and entered pursuant to its provisions	0%		52029905	0%	0%
52029910 ¹	---- Described in U.S. Tariff-Rate Quota Notifications, TRQID USA039	0%		52029910	0%	0%
52029930	---- Other	7.8¢/kg		52029930	7.8¢/kg	7.8¢/kg
52029950	--- Other	0%		52029950	0%	0%
520300	Cotton, carded or combed:					
	- Fibers of cotton processed but not spun:					
52030005	-- Described in general note 4 of the tariff schedule and entered pursuant to its provisions	5%		52030005	5%	0%
52030010 ¹	-- Described in U.S. Tariff-Rate Quota Notifications, TRQID USA040	5%		52030010	5%	0%
52030030	-- Other	31.4¢/kg		52030030	31.4¢/kg	31.4¢/kg
52030050	- Other	4.3%		52030050	4.3%	0%

¹ Tariff rate quotas were reserved for these tariff lines.² "¢/kg" stands for US\$ cent per kilo.

Viet Nam

Bound Duties				Applied Duties (Year 2014)		
Tariff Line (HS 2002)	Designation	Bound Duty	Other Duties and Charges	Tariff Line (HS 2012)	MFN	LDC Preferential
52010000	Cotton, not carded or combed	0%		52010000	0%	
5202	Cotton waste (including yarn waste and garnetted stock)					
52021000	- Yarn waste (including thread waste)	20%		52021000	10%	
52029	- Other:					
52029100	-- Garnetted stock	20%		52029100	10%	
52029900	-- Other	20%		52029900	10%	
52030000	Cotton, carded or combed	10%		52030000	0%	

3.2 SPECIAL SAFEGUARD PROVISIONS

3.7. This section provides information on scheduled special safeguard (SSG) provisions for cotton and on the use of those provisions by Member.

3.8. Of the 32 Members covered by this Market Access Part, three have scheduled SSG provisions for cotton, namely, Colombia, South Africa, and the United States.

3.9. The following table lists the cotton tariff lines for which SSG provisions are specified in each of those three Members' schedules. The following column headings are used:

Member The name of the Member who has reserved SSG provisions for cotton; and

Tariff Line The tariff item number for which the SSG provision was reserved (through the inclusion of the symbol "SSG") as specified in the Member's schedule reproduced in the CTS file using the HS 2002 nomenclature.

3.2.1 Scheduled SSG provisions for cotton

Member	Tariff Line
Colombia	5201000000
South Africa	52010010
	52010020
	52010090
	52021010
	52021090
	52029110
	52029190
	52029910
	52029990
	52030000
United States of America	52010018
	52010028
	52010038
	52010080
	52029930
	52030030

3.10. Based on Table MA:3 notifications circulated by the Secretariat up to 5 November 2015, none of those three Members has notified trigger levels for the volume-based SSG concerning cotton.

3.11. Regarding the price-based SSG, based on Table MA:4 notifications circulated by the Secretariat up to 5 November 2015, the United States have notified trigger prices for all the tariff lines for which SSG provisions were reserved. These trigger prices are presented by tariff item number in the table below. The following column headings are used:

Tariff Line The tariff item number for which the SSG provision was reserved (through the inclusion of the symbol "SSG") as specified in the Member's schedule reproduced in the CTS using the HS 2002 nomenclature;

Trigger Price The trigger price for the tariff item number as notified in the Table MA:4 notification.

3.2.2 Notified trigger prices for cotton

United States of America (G/AG/N/USA/1)

Tariff Line	Trigger price
52010018	US\$1.60/kg.
52010028	US\$1.12/kg.
52010038	US\$1.20/kg.
52010080	US\$2.75/kg.
52029930	US\$8.15/kg.
52030030	US\$0.64/kg.

3.12. The table below provides, based on MA:5 notifications circulated by the Secretariat up to 5 November 2015, information regarding price-based SSG actions invoked on cotton by the United States. The following column headings are used:

- Product** Product description as specified in the Table MA:5 notification;
- Tariff Line** The tariff item number for which the SSG provision was reserved (through the inclusion of the symbol "SSG") as specified in the Member's schedule reproduced in the CTS using the HS 2002 nomenclature;
- Implementation year** The implementation year during which SSG action was invoked;
- Affected quantity (kg.)** The quantity in kilograms of the tariff item number affected by the SSG action as notified in the Table MA:5 notification; and
- Notification reference** The reference of the relevant notification.

3.2.3 Invoked price-based SSG for cotton

United States of America (Table MA:5)

Product	Tariff Line	Implementation year	Affected quantity (kg.)	Notification Reference
Short staple cotton, over-quota	52010018	Calendar year, 1996	150	G/AG/N/USA/24
Short staple cotton, over-quota	52010018	Calendar year, 2006	54	G/AG/N/USA/61
Extra long staple cotton, over-quota	52010080	Calendar year, 2003	118,807	G/AG/N/USA/61
Extra long staple cotton, over-quota	52010080	Calendar year, 2007	539	G/AG/N/USA/67

Note: The following paragraph is quoted in all of the above-mentioned U.S. notifications: "United States price-based safeguards are invoked automatically on a shipment-by-shipment basis. Importers who enter goods in an over-quota tariff line are required to declare which pre-established price range is applicable to their product. If there is a safeguard duty associated with that price range, the additional charge is assessed. Entries where the safeguard duties were assessed during the reporting period are summarized in this notification. Information on affected quantities, while not required by the format, is provided for illustrative purposes. Multiple transactions involving the same product have been aggregated for the purposes of this notification."

3.3 TARIFF RATE QUOTAS

3.13. Of the 32 Members covered by the Market Access Part of this background paper, only China, Colombia, South Africa and the United States have scheduled tariff rate quotas²² for cotton.

3.14. This section is organized as follows: Sub-section 3.3.1 provides information regarding the tariff rate quota commitments for cotton as specified in those four Members' schedules; Sub-section 3.3.2 presents the most recent TRQ administration methods notified by those four Members in Table MA:1 notifications; and Sub-section 3.3.3 provides, for each of those four Members, the TRQ quantities and the notified in-quota imports from Table MA:2 notifications and the corresponding fill rates further to the request made at the third dedicated discussion.

3.3.1 Tariff rate quota commitments for cotton

3.15. This sub-section lists, by Member, the initial and final bound tariff rate quota quantities and in-quota tariff rates for cotton as specified in the Member's schedule. The following column headings are used:

TQID	The number identifying the bound tariff quota for each Member in the CTS, in the same sequential order as scheduled. The seven-character code is comprised of the three-letter WTO Member code, followed by "Q" for "TRQ", and by the three-digit sequential identifier.
Product	The product or group of products as specified in the Member's schedule ²³ ;
Tariff Line(s)	The tariff item number(s) as specified in the Member's schedule reproduced in the CTS using the HS 2002 nomenclature;
Unit	The unit for initial and final bound tariff rate quota quantities;
Initial quota	The initial bound tariff rate quota quantity as specified in the Member's schedule;
Final quota	The final bound tariff rate quota quantity as specified in the Member's schedule; and
In-quota tariff rate	The in-quota tariff rate as specified in the Member's schedule.

China¹

TQID	Product	Tariff line(s)	Unit	Initial quota	Final quota	In-quota tariff rate
CHNQ010	Cotton ²	52010000, 52030000	Metric tonnes	780,750	894,000	1%

¹ Annex 1 contains the notes from China's schedule concerning tariff rate quota commitments.

² The following information is taken from the column "other terms and conditions" in China's schedule for its cotton TRQ commitment (Refer to Annex 1, "Note 1")

- 1) STE share = 33% (See Note 1)
- 2) Staging for cotton

Year	TRQ quantity
2002	818,500 mt.
2003	856,250 mt.
2004	894,000 mt.

Colombia

TQID	Product	Tariff line(s)	Unit	Initial quota	Final quota	In-quota tariff rate
COLQ057	ALGODON SIN CARDAR NI PEINAR	5201	Metric tonnes	222	222	99%
COLQ067	ALGODON	5201	Metric tonnes	1510	2664	80%

²² Also referred to as TRQ or tariff quota.

²³ In original language only.

South Africa¹

TQID	Product	Tariff line(s)	Unit	Initial quota	Final quota
ZAFQ053	Cotton	5201	Metric tonnes	17,101	17,101

¹ The following note is included in South Africa's schedule for its TRQ commitments: "South Africa commits itself to fill the quotas as indicated at tariff rates at a maximum of 20% of the bound rates for both the initial and final quantities."

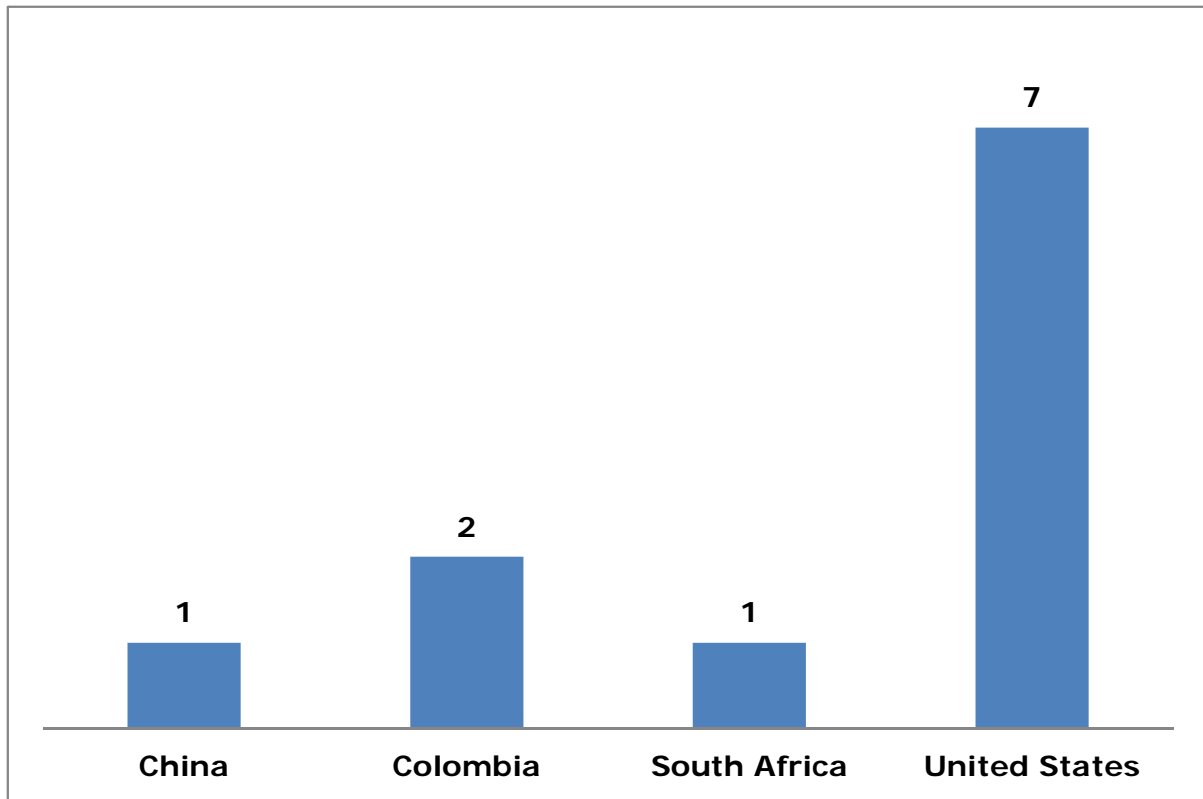
United States of America¹

TQID	Product	Tariff line(s)	Unit	Initial quota	Final quota
USAQ048		52010014, 52010024, 52010034, 52010060, 52029910, 52030010	Metric tonnes	10,000	10,000
USAQ049		52010014	Metric tonnes	8,495	20,207
USAQ050		52010024	Metric tonnes	900	1,400
USAQ051		52010034	Metric tonnes	5,200	11,500
USAQ052		52010060	Metric tonnes	25,500	40,100
USAQ053		52029910	Kilograms	1,835,427	3,335,427
USAQ054		52030010	Kilograms	1,000	2,500

¹ Annex 2 contains the chapter notes from the U.S. schedule concerning TRQ commitments for cotton.

3.16. The following chart summarizes the total number of scheduled TRQs for cotton, by Member, based on the number of TQIDs identified in the CTS.

Chart 3.3: Number of scheduled TRQs for cotton by Member



3.3.2 Most recent Tariff Rate Quota administration method notified for cotton

3.17. This sub-section describes, for each Member and for each cotton TRQ, the most recent import arrangements notified in Table MA:1 notifications up to 5 November 2015.

3.18. The reference number of the relevant notification is indicated in the title for each Member, with the reporting period covered by the notification specified in brackets.

China**G/AG/N/CHN/2 (calendar year 2003)****CHNQ010****Description of import arrangement applicable**

- (a) (i) Import tariff quota of agricultural products shall be applicable to global trade.
(ii) The tariff quota for the year 2003 is open from the date of issuance to 31 December.
- (b) (i) The former State Development Planning Commission was responsible for tariff quota allocation of agricultural products. National Development Reform Commission and Ministry of Commerce are responsible for reallocations.
(ii) Requirements and conditions for applicants applying for import tariff quota are: having registered with Administration of Industry and Commerce (presenting the duplicate of business licences) prior to 1 October 2002; being under sound financial conditions and having good tax payment records (presenting relevant data for 2001 and 2002); having no records of unlawful acts at the Customs, Administration of Industry and Commerce, Inspection and Quarantine authorities and Taxation Administration within the period of 2000-2002; having passed the annual enterprise review of the year 2001 conducted by Administration of Industry and Commerce and Inspection and Quarantine authorities.
(iii) Import tariff quota for general trade shall be allocated with reference to the volumes for which applicants have applied, previous import performance and production capacity or other applicable commercial standards, or under the principle of "first-come, first-served".
(iv) Licence shall remain valid from the date of issuance to 31 December of the same year.

Colombia**G/AG/N/COL/35 (calendar year 2005)****COLQ067****Description of import arrangement applicable**

- (a) Allocation of quotas to supplying countries: none.
- (b) Allocation of licences or of access to quotas to importers: the import quota is allocated on a competitive basis amongst participants registered with the Ministry of Agriculture and Rural Development. Quota allocation is by means of public auctions in which importers take part through the bid registration system.
- (c) Details of other arrangements: not applicable.
- (d) Any other information: Decree No. 430 of 2004 of the Ministry of Agriculture and Rural Development

South Africa**G/AG/N/ZAF/35 (calendar year 2001)****ZAFQ053****Description of import arrangement applicable**

- (a) Country Allocations: Global
- (b) Import Allocations:
 - (i) Department of Agriculture will allocate and issue permits annually;
 - (ii) historical and new importers who are processors of cotton will be eligible for permits;
 - (iii) permits will be issued pro rata;
 - (iv) permits will be valid for twelve months.

United States of America²⁴**G/AG/N/USA/2/Add.3 and G/AG/N/USA/34/Add.1 (calendar year)****USAQ049****Description of import arrangement applicable**

- (a) COUNTRY ALLOCATIONS: See Additional U.S. Note 5 to Chapter 52 of the HTSUS (Annex 1, 36/).
- (b) IMPORTER ALLOCATIONS: First-come, first-served, implemented by U.S. Customs Service (<http://www.customs.gov/impoexpo.htm>).
- (c) OTHER ARRANGEMENTS: None.
- (d) OTHER INFORMATION: This provision is included in Additional U.S. Note 5 to chapter 52 of the HTSUS (Annex 1, note 36/) and in Additional U.S. Note 6 to Chapter 52 of Schedule XX.

USAQ050**Description of import arrangement applicable**

- (a) COUNTRY ALLOCATIONS: None.
- (b) IMPORTER ALLOCATIONS: First-come, first-served, implemented by U.S. Customs Service (<http://www.customs.gov/impoexpo/impoexpo.htm>).
- (c) OTHER ARRANGEMENTS: None.
- (d) OTHER INFORMATION: This provision is included in Additional U.S. Note 6 to chapter 52 of the HTSUS (Annex 1, note 37/) and in Additional U.S. Note 7 to Chapter 52 of Schedule XX.

USAQ051**Description of import arrangement applicable**

- (a) COUNTRY ALLOCATIONS: None.
- (b) IMPORTER ALLOCATIONS: First-come, first-served, implemented by U.S. Customs Service (<http://www.customs.gov/impoexpo/impoexpo.htm>).
- (c) OTHER ARRANGEMENTS: None.
- (d) OTHER INFORMATION: This provision is included in Additional U.S. Note 7 to chapter 52 of the HTSUS (Annex 1, note 38/) and in Additional U.S. Note 8 to Chapter 52 of Schedule XX.

USAQ052**Description of import arrangement applicable**

- (a) COUNTRY ALLOCATIONS: None.
- (b) IMPORTER ALLOCATIONS: First-come, first-served, implemented by U.S. Customs Service (<http://www.customs.gov/impoexpo/impoexpo.htm>).
- (c) OTHER ARRANGEMENTS: None.
- (d) OTHER INFORMATION: This provision is included in Additional U.S. Note 8 to chapter 52 of the HTSUS (Annex 1, note 39/) and in Additional U.S. Note 9 to Chapter 52 of Schedule XX.

USAQ053**Description of import arrangement applicable**

- (a) COUNTRY ALLOCATIONS: See Additional U.S. Note 9 to Chapter 52 of the HTSUS (Annex 1, 40/).
- (b) IMPORTER ALLOCATIONS: First-come, first-served, implemented by U.S. Customs Service (<http://www.customs.gov/impoexpo/impoexpo.htm>).
- (c) OTHER ARRANGEMENTS: None.
- (d) OTHER INFORMATION: This provision is included in Additional U.S. Note 9 to chapter 52 of the HTSUS (Annex 1, note 40/) and in Additional U.S. Note 10 to Chapter 52 of Schedule XX.

²⁴ Annex 3 contains the excerpt of notes from the harmonized tariff system of the United States of America that concern cotton (from Annex 1 in G/AG/N/USA/2/Add.3 and G/AG/N/USA/34/Add.1).

USAQ054**Description of import arrangement applicable**

- (a) COUNTRY ALLOCATIONS: See Additional U.S. Note 10 to Chapter 52 of the HTSUS (Annex 1, 41/).
- (b) IMPORTER ALLOCATIONS: First-come, first-served, implemented by U.S. Customs Service (<http://www.customs.gov/impoexpo/impoexpo.htm>).
- (c) OTHER ARRANGEMENTS: None.
- (d) OTHER INFORMATION: This provision is included in Additional U.S. Note 10 to chapter 52 of the HTSUS (Annex 1, note 41/) and in Additional U.S. Note 11 to Chapter 52 of Schedule XX.

3.3.3 TRQ quantities and in-quota imports for cotton

3.19. This sub-section provides yearly TRQ quantities, notified in-quota imports for cotton, and the corresponding fill rates based on Members' Table MA:2 notifications circulated by the Secretariat up to 5 November 2015.

3.20. Fill rates are calculated based on the data provided in Table MA:2 notifications as the ratio of in-quota imports to notified TRQ quantities. In cases where notified in-quota imports are greater than TRQ quantities, the fill rates are adjusted by setting a maximum of 100% fill rate. The implementation years covered in the tables below are those indicated in the Member's Table MA:2 notifications. The title of the individual tables indicates the TQID of the TRQ, while the quantity unit used in the notification is indicated in brackets.

China

CHNQ10 (metric tonnes)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
TRQ Quantity	818,500	856,250	894,000	894,000	894,000	894,000	894,000	894,000	894,000	894,000	894,000
In-quota Imports	177,000	870,000	1,910,000	2,570,000	894,000	1,165,000	2,111,000	894,000	894,000	894,000	894,000
Fill rates (%)	22	100	100	100	100	100	100	100	100	100	100

Colombia

COLQ67 (metric tonnes)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
TRQ Quantity	1,510	1,847	1,963	2,117	2,245	2,373	2,501	2,630	2,758	2,886	2,886	2,886	2,886	2,886	2,886	2,886
In-quota Imports	37,747	25,676	47,284	42,661	37,846	58,636	53,583	64,345	64,556	33,490	39,525	61,904	53,307	50,563	60,328	50,315
Fill rates (%)	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

South Africa

ZAFQ053 (metric tonnes)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
TRQ Quantity	17,101	17,101	17,101	17,101	17,101	17,101	17,101	17,101	17,101	17,101	17,101	17,101	17,101	17,101	17,101	17,101	17,101	17,101	17,101
In-quota Imports	44,114	17,101	17,101	17,101	17,101	17,101	17,101	17,101	17,101	17,101	17,101	17,101	17,101	17,101	17,101	17,101	17,101	17,101	17,101
Fill rates (%)	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

United States of America¹

USAQ049 (metric tonnes)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
TRQ Quantity		8,495	10,837	13,180	15,522	17,865	20,207	20,207	20,207	20,207	20,207	20,207	20,207	20,207	20,207	20,207	20,207	20,207	20,207
In-quota Imports		198	1	45	12,098	452	229	351	0	45	2	259	1,346	73	0	0	0	3,969	1,172
Fill rates (%)		2	0.009	0.3	78	3	1	2	0	0.2	0.010	1	7	0.4	0	0	0	20	6

USAQ050 (metric tonnes)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
TRQ Quantity		900	1,000	1,100	1,200	1,300	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400
In-quota Imports		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fill rates (%)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

USAQ051 (metric tonnes)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
TRQ Quantity		5,200	6,460	7,720	8,980	10,240	11,500	11,500	11,500	11,500	11,500	11,500	11,500	11,500	11,500	11,500	11,500	11,500	11,500
In-quota Imports		0	0	23	1,471	190	116	855	195	1,525	2,608	1,294	235	123	0	0	545	117	0
Fill rates (%)		0	0	0.3	16	2	1	7	2	13	23	11	2	1	0	0	5	1	0

USAQ052 (metric tonnes)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
TRQ Quantity		25,500	28,420	31,340	34,260	37,180	40,100	40,100	40,100	40,100	40,100	40,100	40,100	40,100	40,100	40,100	40,100	40,100	40,100
In-quota Imports		0	13	62	3,483	9,611	2,657	5,089	13,813	9,270	4,244	3,934	2,423	2,418	0	0	1,518	1,214	1,548
Fill rates (%)		0	0.05	0.2	10	26	7	13	34	23	11	10	6	6	0	0	4	3	4

USAQ053 (kilograms)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
TRQ Quantity		1,835,427	2,135,427	2,435,427	2,735,427	3,035,427	3,335,427	3,335,427	3,335,427	3,335,427	3,335,427	3,335,427	3,335,427	3,335,427	3,335,427	3,335,427	3,335,427	3,335,427	3,335,427
In-quota Imports		15,000	17,584	0	0	0	0	0	0	128,198	0	0	169,844	791,441	87,332	561,492	729,436	558,590	1,224,637
Fill rates (%)		1	1	0	0	0	0	0	0	4	0	0	5	24	3	17	22	17	37

USAQ054 (kilograms)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
TRQ Quantity		1,000	1,300	1,600	1,900	2,200	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
In-quota Imports		800	120	0	1,796	1,307	2,500	2,500	2,500	2,300	157	0	0	0	2,500	0	20	0	70
Fill rates (%)		80	9	0	95	59	100	100	100	92	6	0	0	0	100	0	1	0	3

¹ According to the U.S. notification for implementation year 1995, Uruguay Round commitments for cotton products in headings 5201, 5202 and 5203 became effective only in the fall of 1995, and imports under these commitments were reported along with calendar year 1996 imports in early 1997.

3.21. Based on the information presented in section 3.3.3 above, the following charts show, by Member and by year, notified in-quota imports compared to the scheduled quantity, under each TRQ.

Charts on notified in-quota imports compared to the scheduled quantity

Chart 3.4: China (CHNQ010)

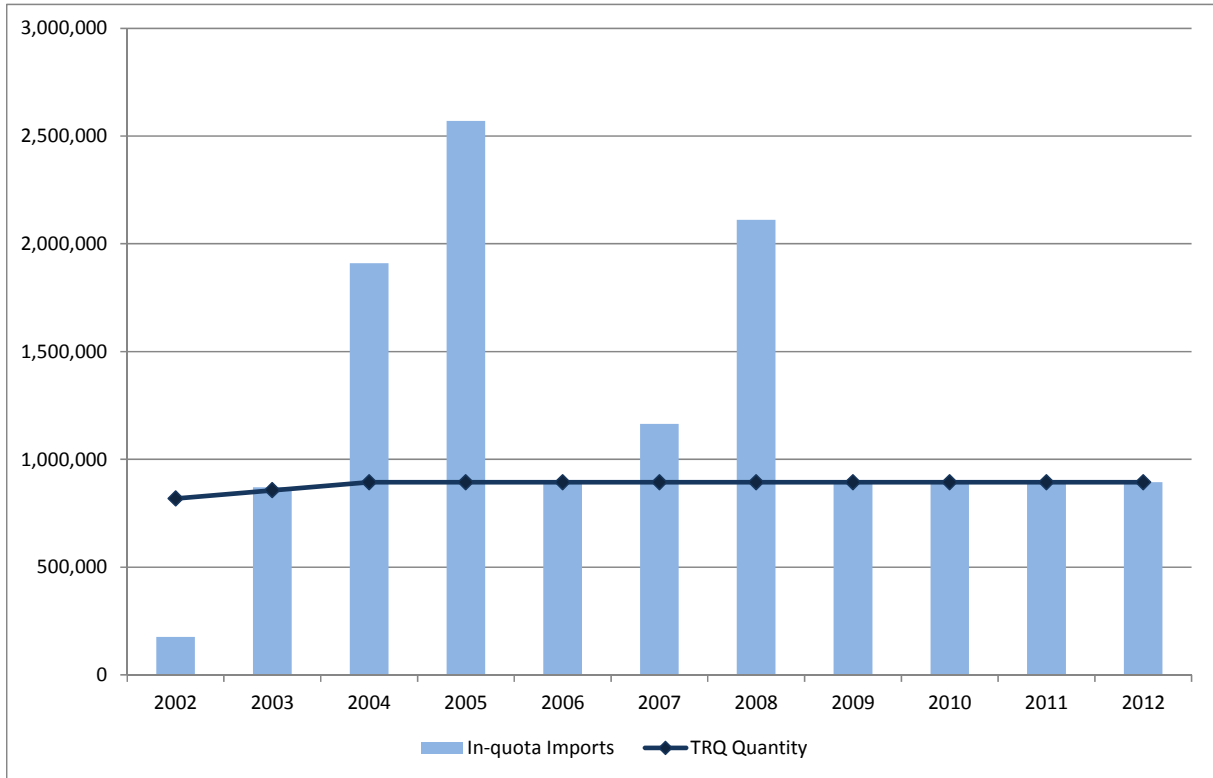


Chart 3.5: Colombia (COLQ067)

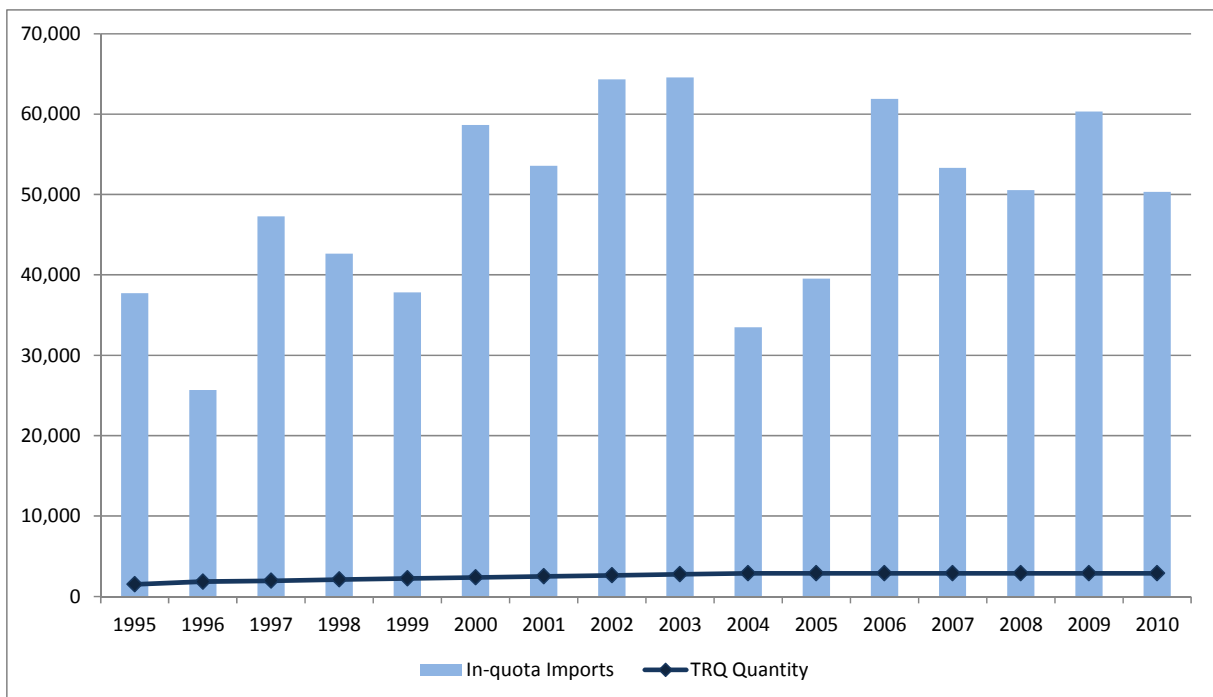


Chart 3.6: South Africa (ZAFQ053)

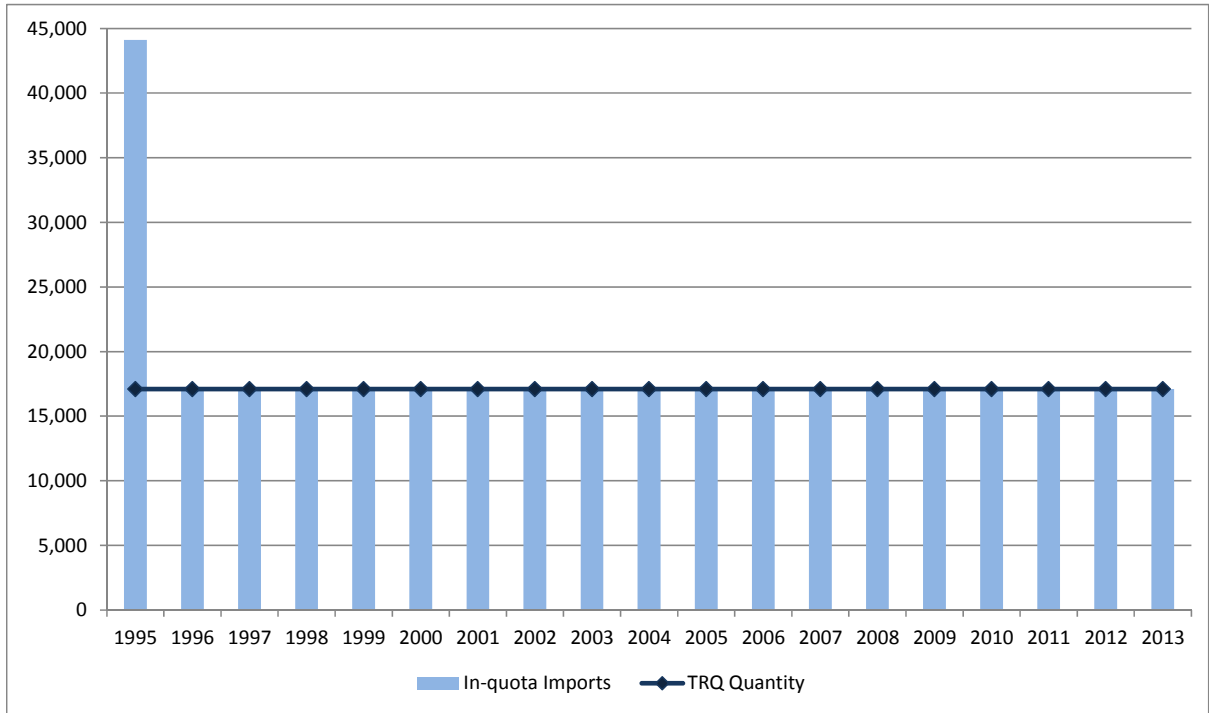


Chart 3.7: United States of America (USAQ049)

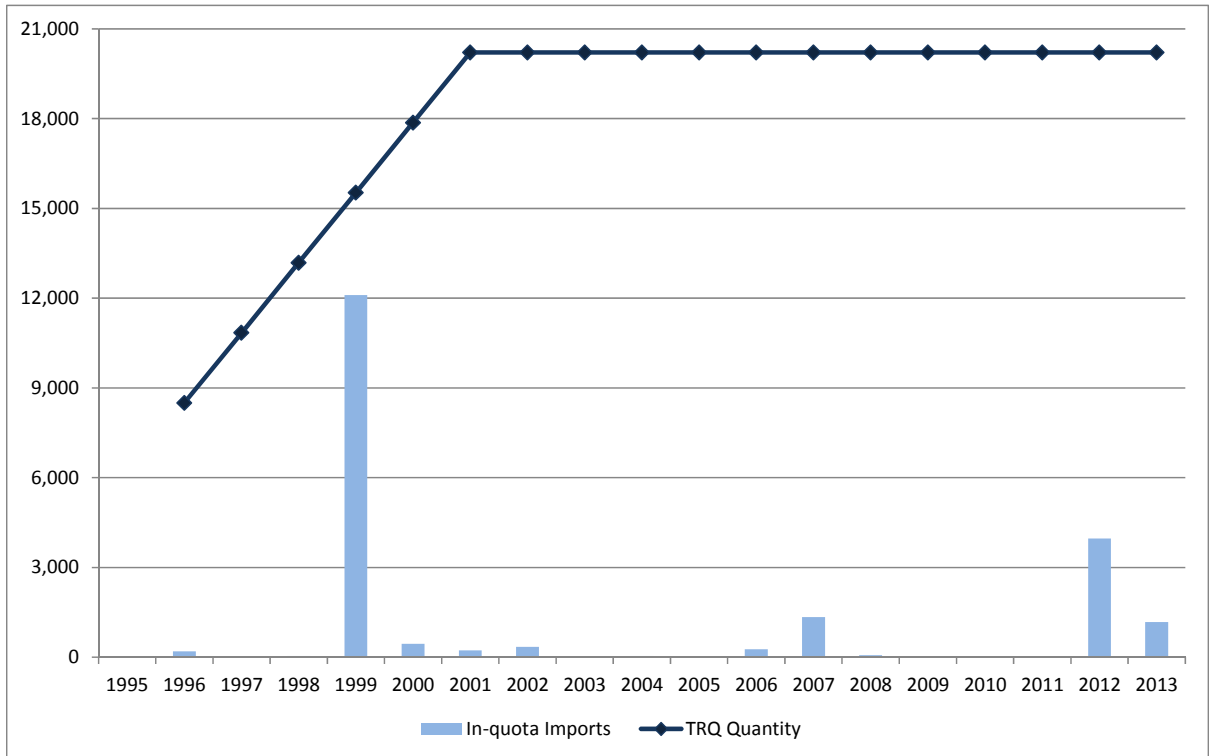


Chart 3.8: United States of America (USAQ050)

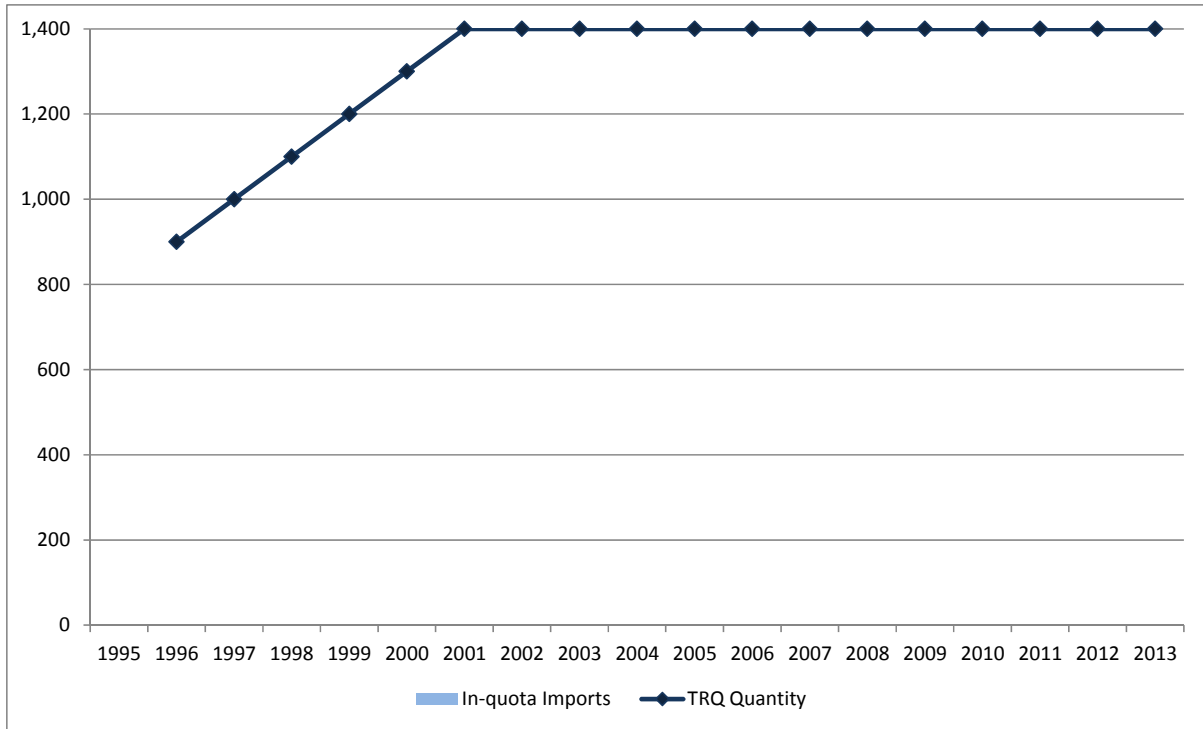


Chart 3.9: United States of America (USAQ051)

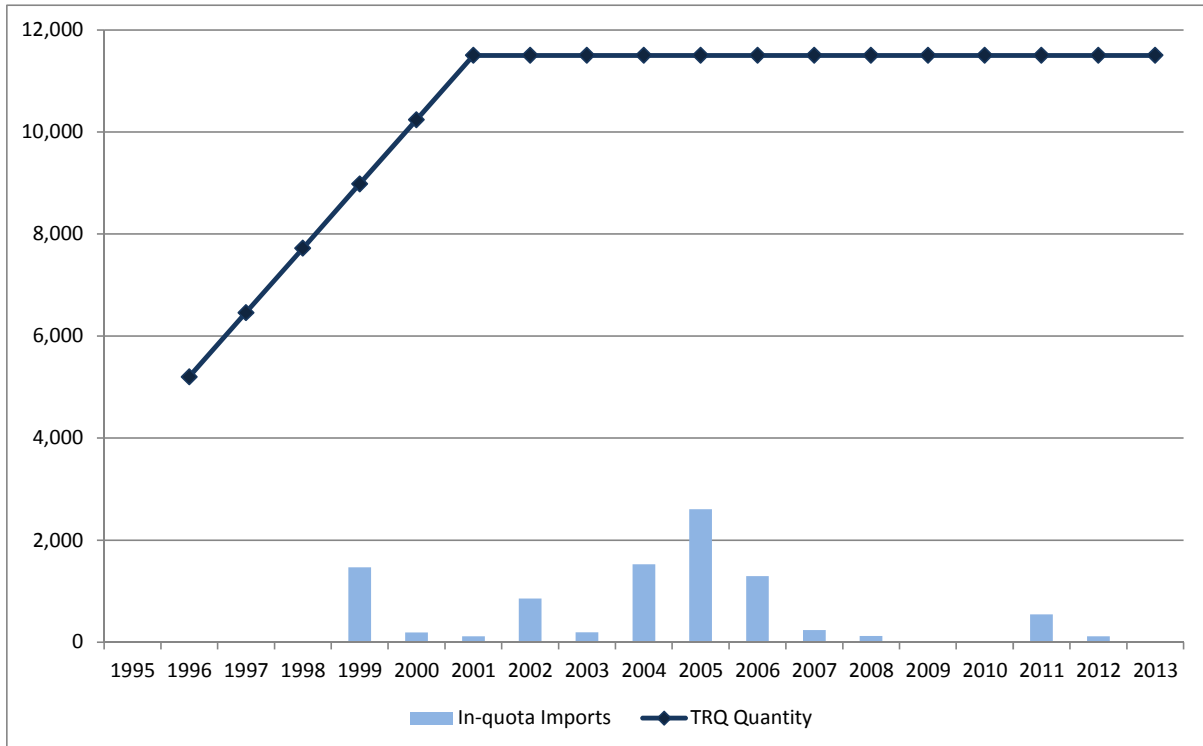


Chart 3.10: United States of America (USAQ052)

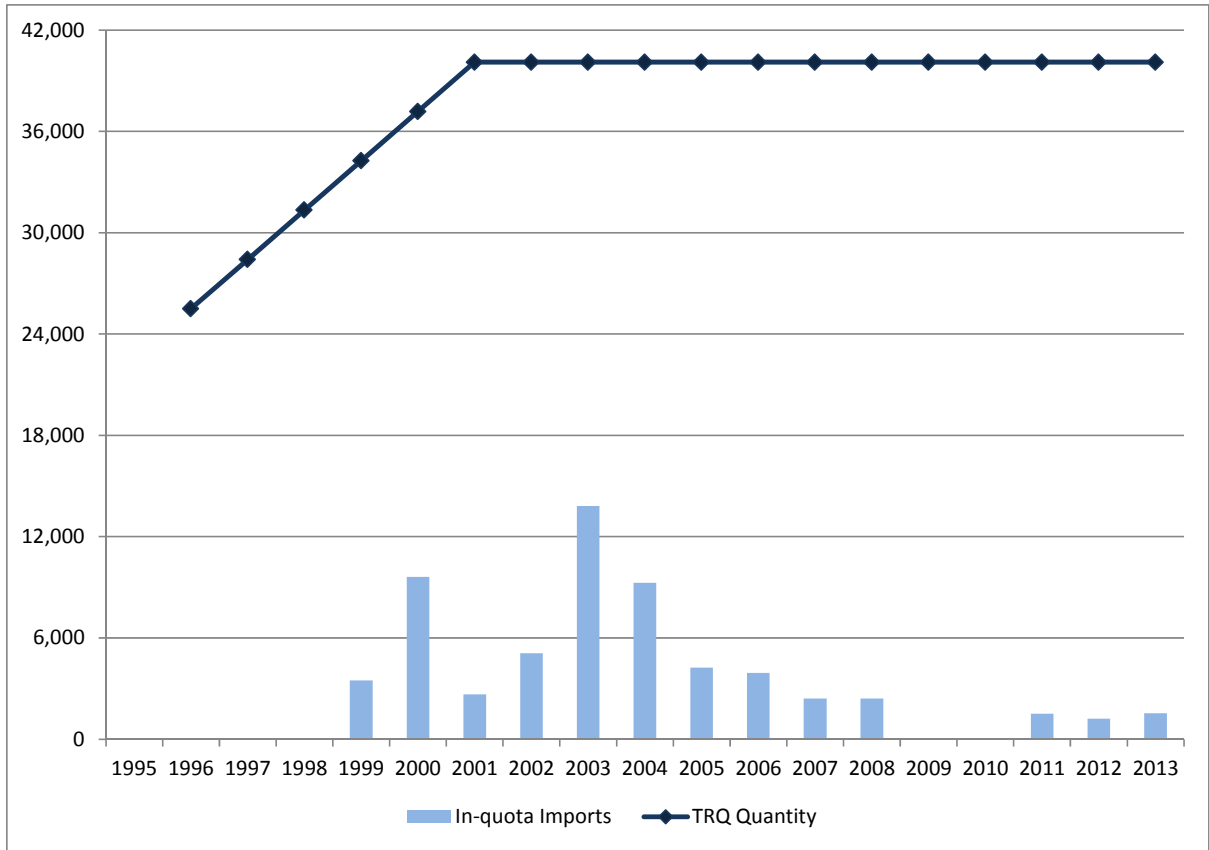
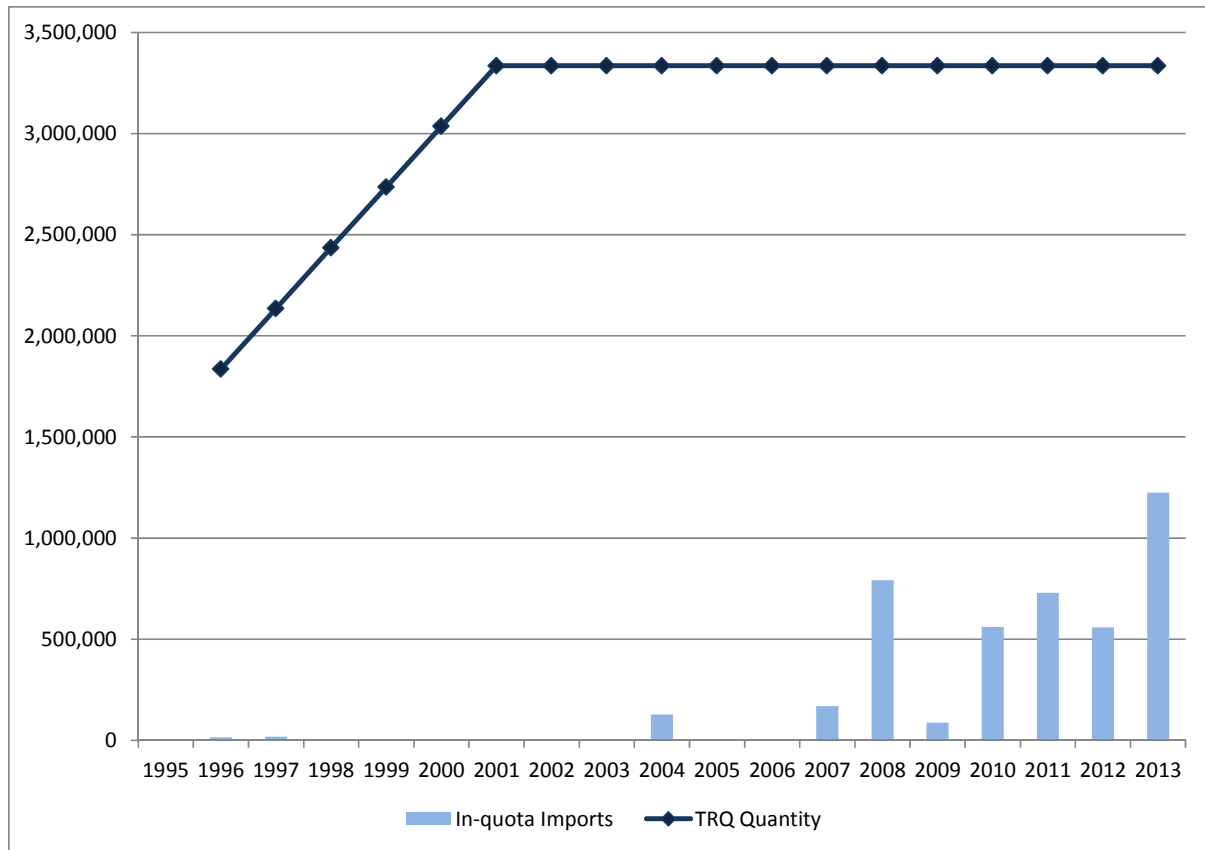
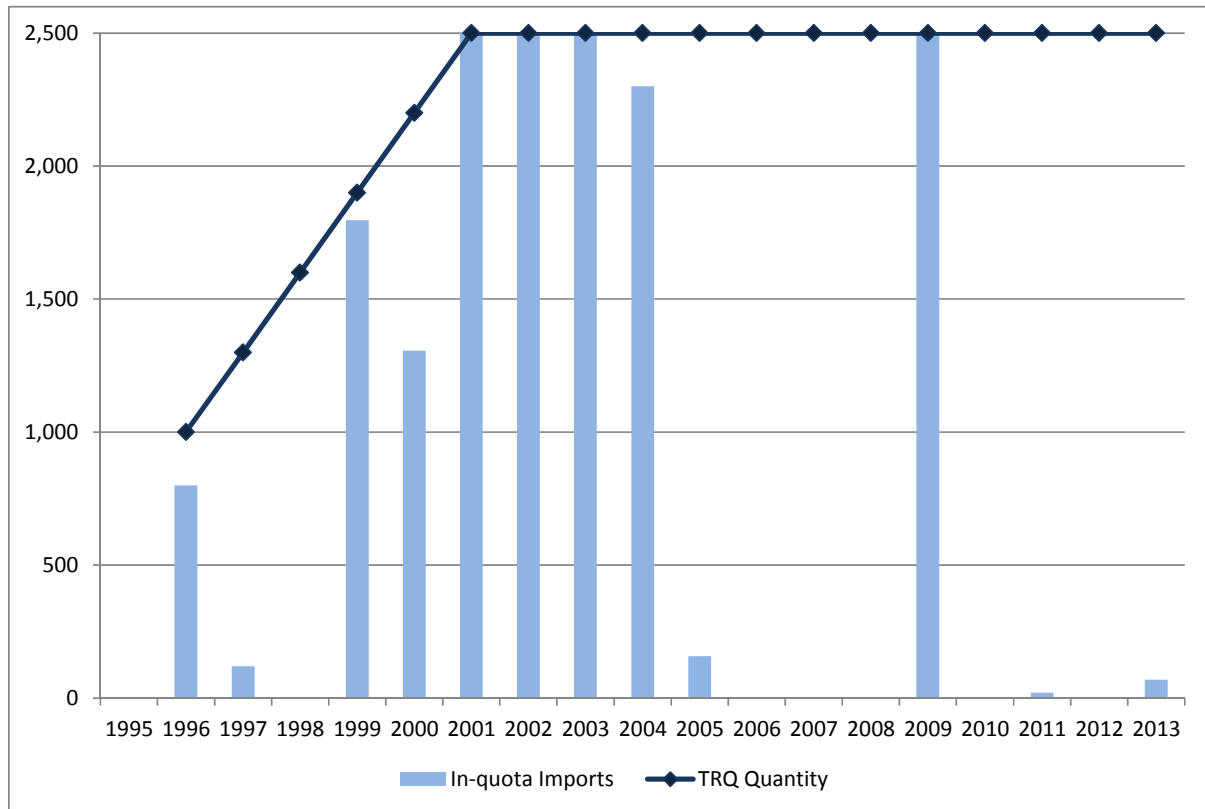


Chart 3.11: United States of America (USAQ053)²⁵



²⁵ TRQ quantity and in-quota imports were notified in kilograms. All figures are converted to metric tonnes due to space constraint.

Chart 3.12: United States of America (USAQ054)



3.4 OTHER NON TARIFF MEASURES

3.22. This section contains information on other non-tariff measures applicable to cotton. The information presented is sourced from the WTO I-TIP Goods database²⁶, which compiles data about non-tariff measures notified by Members as well as information on "specific trade concerns" raised by Members during WTO Committee meetings.

3.23. The non-tariff measures listed below result from a query in the I-TIP Goods database, using the following criteria:

- a. Member imposing the measure: The 32 Members selected for this Market Access part;
- b. Type of measure covered: Sanitary and Phytosanitary measures (as notified under the Agreement on Sanitary and Phytosanitary measures); measures notified under the Agreement on Technical Barriers to Trade; Anti-Dumping measures (as notified under the Anti-Dumping agreement); Countervailing duties (as notified under the Agreement on Subsidies and Countervailing Measures); Safeguard measures (as notified under the Agreement on Safeguards); State Trading Enterprises (as notified to the Working Party on State Trading Enterprises, pursuant to Article XVII:4(a) of the GATT 1994 and Paragraph 1 of the Understanding on the interpretation of Article XVII); Quantitative restrictions notified to the Committee on Market Access as per the CTG Decision contained in G/L/59/Rev.1; and import licensing procedures (as notified under the Agreement on Import Licensing procedures).
- c. Measures initiated or notified from 1 January 2012 to 5 November 2015 and which have not been withdrawn to date; and
- d. Measures with a reference to "cotton" and with a product description encompassing explicitly or potentially HS headings 52.01, 52.02 or 52.03.²⁷

3.24. It should be noted that, to date, no specific trade concern has been raised in the relevant WTO Committees with respect to the non-tariff measures identified in this Section and listed in the table below.

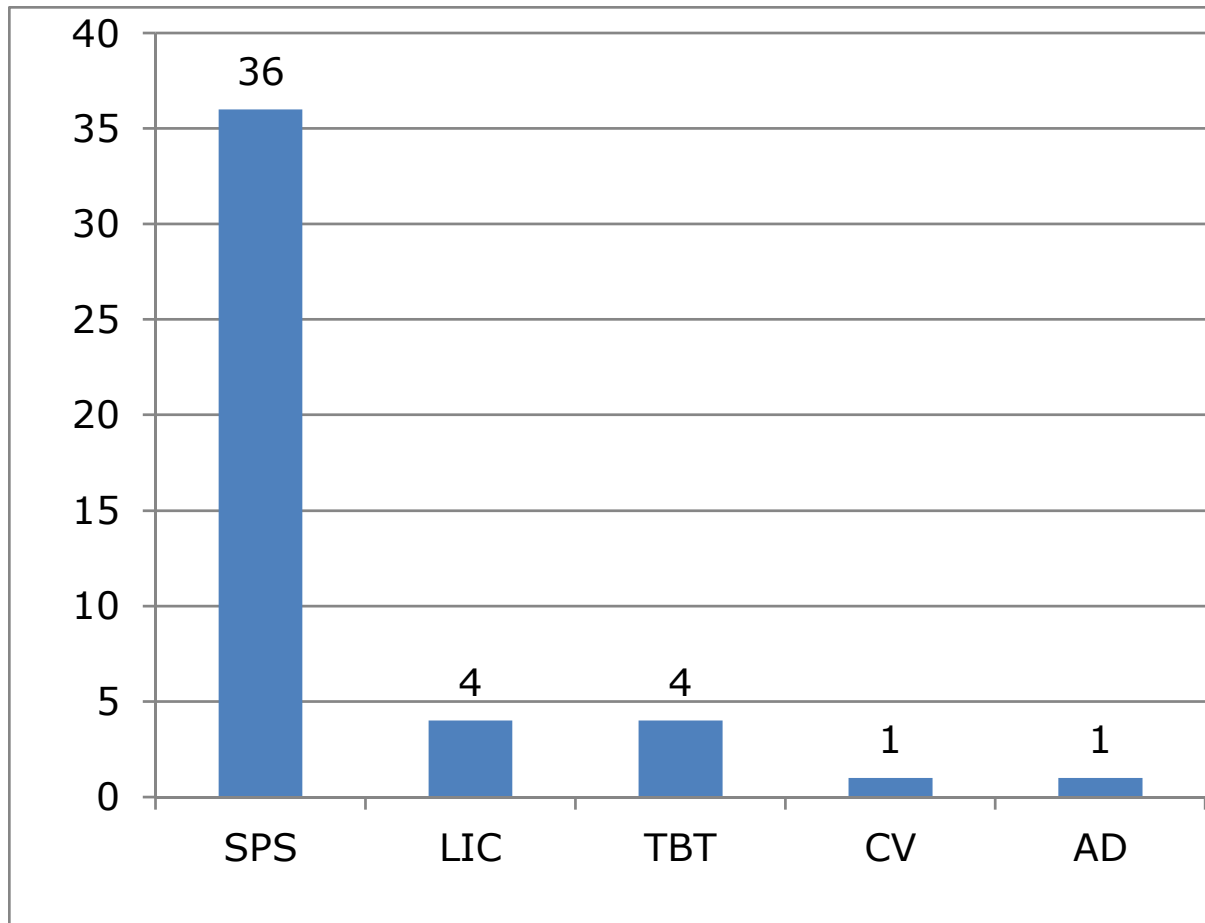
3.25. The following column headings are used for the tables below:

Member	Member notifying the measure.
Partner affected	Member(s) affected by the measure if identified in the relevant notification, or otherwise "All Members".
Notif. req.	Type of measure notified, using the following coding: "SPS" for Sanitary and Phytosanitary measures; "TBT" for measures notified under the Agreement on Technical Barriers to Trade; "AD" for Anti-Dumping measures; "CV" for countervailing duties; "SG" for Safeguard measures; "STE" for State Trading Enterprises; "QR" for Quantitative Restrictions; and "LIC" for import licensing procedures.
Initiation/notification	Date of initiation or notification of the measure.
In force	Date of entry into force of the measure (if any) as it appears in the relevant notification.
Measure description	Summarized description of the measure based on the information in the relevant notification.
Product description	Summarized description of the product covered by the measure based on the information in the relevant notification;
Source	Document number of the relevant notification(s).

²⁶ <http://i-tip.wto.org/goods/default.aspx?language=en>.

²⁷ It should be noted that, in the absence of specific or further indication by Members, listed measures making reference to "cotton", may in fact not apply to the trade of "cotton" as defined in this paper, i.e. products covered by the Harmonized System nomenclature headings 52.01, 52.02 and 52.03.

Chart 3.13: Number of other non-tariff measures applicable to cotton, per type of measure (1 January 2012 to 5 November 2015)



Member	Partner affected	Notif. req.	Initiation/ Notification	In force	Measure description	Product description	Source
Russian Federation	All Members	LIC	21-Oct-15		The Russian Federation manages its obligations for hazardous waste controlled by the Basel Convention for the Control of Trans-boundary Movements of Hazardous Waste and their Disposal (Basel Convention) through the Common List of Goods that are subject of import/export prohibitions or restrictions in trade with third countries (Decision of the Board of the Eurasian Economic Commission No. 30 "About measures of non-tariff regulation" of 21.04.2015) (Annex 2.3).	Hazardous waste (Ex 5202 10 000 0)	G/LIC/N/3/RUS/2/Rev.1
Brazil	All Members	SPS	23-Jun-15		Draft resolution regarding the active ingredient Q05.2 QUIZALOFOP-P-TEFURYL of the monograph list of active ingredients for pesticides, household cleaning products and wood preservers, published by Resolution - RE n° 165 of 29 August 2003, Brazilian Official Gazette (DOU Diário Oficial da União) of 2 September 2003	Post-emergency application in cultures of cotton (0.1mg/kg safety security period of 30 days) (...)	G/SPS/N/BRA/1048
Brazil	All Members	SPS	23-Jun-15		Draft resolution regarding the active ingredient I18 ISOXAFLUTOLE of the monograph list of active ingredients for pesticides, household cleaning products and wood preservers, published by Resolution - RE n° 165 of 29 August 2003, Brazilian Official Gazette (DOU Diário Oficial da União) of 2 September 2003	Post-emergency application in cultures of cotton (0.01mg/kg safety security period of 97 days) (...)	G/SPS/N/BRA/1049
Peru	United States of America	SPS	22-Jun-15		The draft phytosanitary requirements governing the importation into Peru of cotton gin waste (linters) originating in and coming from the United States of America are being submitted for public consultation following the completion of the relevant technical report.	HS tariff subheading 5202.99.00.00: Cotton (Gossypium spp.) gin waste (linters)	G/SPS/N/PER/613
Brazil	All Members	SPS	22-May-15		Draft resolution regarding the active ingredient G05 GLUFOSINATE of the monograph list of active ingredients for pesticides, household cleaning products and wood preservers, published by Resolution - RE n° 165 of 29 August 2003, Brazilian Official Gazette (DOU Diário Oficial da União) of 2 September 2003	Post-emergency application in cultures of (...) cotton (0.5mg/kg safety security period of 28 days), cotton (0.5mg/kg safety security period to the culture of genetically modified cotton, which express resistance to glufosinate, is of 116 days, when the pesticide is applied in post-emergency of the culture and of the weeds), (...) Desiccant application in cultures of cotton (0.5mg/kg safety security period of 28 days), (...)	G/SPS/N/BRA/1044
Brazil	All Members	SPS	12-May-15		Draft resolution regarding the active ingredient C32 CLETHODIM of the monograph list of active ingredients for pesticides, household cleaning products and wood preservers, published by Resolution - RE n° 165 of 29 August 2003, Brazilian Official Gazette (DOU Diário Oficial da União) of 2 September 2003 Inclusion of cultures of sunflower (0.05mg/kg safety security period of 53 days), apple and grape (0.05mg/kg safety security period of 23 days), inclusion of cultures of sweet potato, yacon potato, beet, yams, ginger, cocoyam, arracacha, turnip and radish (0.5mg/kg safety security period of 180 days); and inclusion of cultures of eggplant, scarlet eggplant, pepper, green pepper and okra (0.5mg/kg safety security period of 20 days), all in post-emergency application.	Post-emergency application in cultures of cotton (0.5mg/kg safety security period of 50 days), (...)	G/SPS/N/BRA/1031

Member	Partner affected	Notif. req.	Initiation/ Notification	In force	Measure description	Product description	Source
United States of America	All Members	SPS	13-March-15	20-Feb-15	This regulation establishes tolerances for residues of dimethenamid in or on cottonseed subgroup 20C and cotton, gin byproducts.	Cotton, gin byproducts; Cottonseed subgroup 20C	G/SPS/N/USA/2740
Brazil	All Members	TBT	5-Feb-15		Draft technical regulation setting up official standard classification, quality, marking and labelling requirements, sampling procedures, method of presentation etc. related to the product (cotton) classification. It revises the Ordinance N° 63, 5 December 2002 (Instrução Normativa SDA/MAPA/N° 63 de 5 de Dezembro de 2002), notified under the document G/TBT/N/BRA/78, 21 January 2003.	HS: Chapter 52 – Cotton	G/TBT/N/BRA/78/Rev.1
China	All Members	LIC	22-Jan-15		Import tariff-rate quotas	(...) Cotton (...)	G/LIC/N/3/CHN/13
Brazil	Sudan	SPS	07-Jan-15	18-Dec-14	The notified document approves the phytosanitary requirements for the importation of threshed cotton fibre (<i>Gossypium hirsutum</i>) (Category 2, Class 10) produced in Sudan, in accordance with the results of a pest risk analysis.	Threshed cotton fibre (<i>Gossypium hirsutum</i>) (Category 2, Class 10)	G/SPS/N/BRA/1011
Malaysia	All Members	LIC	6-Nov-14	1-Jan-15	The Plant Quarantine Regulations 1981 were made pursuant to Section 23 of the Plant Quarantine Act 1976. It stipulates the requirement which must be met for the entry of plants, growing media, organic fertilizers, soil, living or dead organisms including micro-organism and any hosts of plant pest and/or carrier of plant pests into Malaysia, and at the same time for the prevention of entry of pests of quarantine importance into the country. Under the Plant Quarantine Regulations 1981, an import permit is imposed for the importation of the following (...) - Importation of all commodities as listed below for processing or consumption from All Countries except from countries endemic to South American Leaf Blight, countries endemic to disease of plants of Palmae and countries endemic from Khapra Beetle (<i>Trogoderma granarium</i>) commencing 1 January 2015, (...) Cotton (<i>Gossypium hirsutum</i>) (...)	(...) Cotton (<i>Gossypium hirsutum</i>) (...)	G/LIC/N/3/MYS/10
Turkey	United States of America	AD	18-Oct-14		Original investigation	Cotton; 5201	G/ADP/N/265/TUR
Brazil	All Members	SPS	13-Oct-14		Draft resolution regarding the active ingredient F23 FLUAZIFOP-P of the monograph list of active ingredients for pesticides, household cleaning products and wood preservers, published by Resolution - RE N° 165 of 29 August 2003, Brazilian Official Gazette (DOU Diário Oficial da União) of 2 September 2003 (...)	Post-emergency application in cultures of lettuce (0.05mg/kg, safety security period of 28 days), cotton (0.04mg/kg, safety security period of 60 days) (...)	G/SPS/N/BRA/989
Brazil	All Members	SPS	13-Oct-14		Draft resolution regarding the active ingredient G05 - GLUFOSINATE of the monograph list of active ingredients for pesticides, household cleaning products and wood preservers, published by Resolution - RE N° 165 of 29 August 2003, Brazilian Official Gazette (DOU Diário Oficial da União) of 2 September 2003 (...)	Post-emergency application in cultures of (...) cotton (0.5mg/kg, safety security period of 28 days), cotton (0.5mg/kg, the safety security period to the culture of the genetically modified cotton, which manifests resistance to the glufosinate, is of 116 days, when the pesticide is applied in post-emergency of culture and weeds) (...) Desiccant application in cultures of cotton (0.5mg/kg, safety security period of 28 days) (...)	G/SPS/N/BRA/986

Member	Partner affected	Notif. req.	Initiation/ Notification	In force	Measure description	Product description	Source
Brazil	All Members	SPS	13-Oct-14		Draft resolution regarding the active ingredient G01 - GLYPHOSATE of the monograph list of active ingredients for pesticides, household cleaning products and wood preservers, published by Resolution - RE N° 165 of 29 August 2003, Brazilian Official Gazette (DOU Diário Oficial da União) of 2 September 2003 (...)	Post-emergency application in cultures of cotton (3.0mg/kg, safety security period to the culture of cotton is not determined when the pesticide is applied in post-emergency of the weeds and pre-emergency of the culture. The safety security period to the cultures of genetically modified cotton, which express resistance to the glyphosate, is of 130 days, when the pesticide is applied in post-emergency of the weeds and of the culture) (...)	G/SPS/N/BRA/981
Brazil	All Members	SPS	10-Oct-14		Draft resolution regarding the active ingredient P01 - PARAQUAT of the monograph list of active ingredients for pesticides, household cleaning products and wood preservers, published by Resolution - RE N° 165 of 29 August 2003, Brazilian Official Gazette (DOU Diário Oficial da União) of 2 September 2003 (...)	Post-emergency application in cultures of (...) cotton (0.2mg/kg, safety security period of 7 days) (...) Desiccant application in cultures of cotton (0.2mg/kg, safety security period of 7 days) (...)	G/SPS/N/BRA/980
Brazil	All Members	SPS	8-Oct-14		Draft resolution regarding the active ingredient F42 - FLUROXYPYR of the monograph list of active ingredients for pesticides, household cleaning products and wood preservers, published by Resolution - RE n° 165 of 29 August 2003, Brazilian Official Gazette (DOU Diário Oficial da União) of 2 September 2003 (...)	Post-emergency application in cultures of cotton (0.01mg/kg safety security period not determined due to the mode of use) (...)	G/SPS/N/BRA/973
United States of America	All Members	LIC	3-Oct-14		Import permits are required for the importation of most plants and some plant products, to protect against the introduction of pests and diseases. Permits are also required for the import, export or re-export of terrestrial plants that are on the endangered species list.	Cotton and cotton covers	G/LIC/N/3/USA/11
United States of America	All Members	SPS	07-Aug-14		Amitraz, Carfentrazone-ethyl, Ethephon, Malathion, Mancozeb, et al.; Proposed Tolerance Actions EPA is proposing to revoke certain tolerances for the fungicides spiroxamine and triflumizole, the herbicides carfentrazone-ethyl and quizalofop ethyl; the insecticides amitraz, oxamyl, propetamphos, and spinosad; and the plant growth regulators ethephon and mepiquat. In addition, EPA is proposing to revoke the tolerance on rice straw for multiple active ingredients. Also, EPA is proposing to modify certain tolerances for the fungicides mancozeb, thiram, and triflumizole; and the insecticide malathion. In addition, EPA is proposing to establish new tolerances for the fungicide mancozeb. Also, in accordance with current Agency practice, EPA is proposing to make minor revisions to the tolerance expression for malathion, mepiquat, and thiram.	(...); Cotton, gin by-products; Cotton, undelinted seed; (...)	G/SPS/N/USA/2688
Brazil	All Members	SPS	04-Aug-14		Draft resolution regarding the active ingredient S-METOLACHLOR of the monograph list of active ingredients for pesticides, household cleaning products and wood preservers, published by Resolution - RE n° 165 of 29 August 2003, Brazilian Official Gazette (DOU Diário Oficial da União) of 2 September 2003 (...)	Pre-emergency application in cultures of cotton (0.2mg/kg safety security period not determined due to the mode of use) (...)	G/SPS/N/BRA/966
Brazil	All Members	SPS	04-Aug-14		Draft resolution regarding the active ingredient CARFENTRAZONE-ETHYL of the monograph list of active ingredients for pesticides, household cleaning products and	Post-emergency application in cultures of cotton (0.1mg/kg safety security period of 8 days) (...)	G/SPS/N/BRA/965

Member	Partner affected	Notif. req.	Initiation/ Notification	In force	Measure description	Product description	Source
					wood preservers, published by Resolution - RE n° 165 of 29 August 2003, Brazilian Official Gazette (DOU Diário Oficial da União) of 2 September 2003 (...)		
Mexico	All Members	SPS	12-Jun-14		Proyecto de Modificación a la Norma Oficial Mexicana NOM-026-FITO-1995, Por la que se establece el control de plagas del algodónero (Draft Amendment to Mexican Official Standard NOM-026-FITO-1995: Establishing cotton plant pest controls) The notified Standard establishes the mandatory regulations to control and prevent the spread of pest populations: pink bollworm (<i>Pectinophora gossypiella</i> Saunders) and cotton boll weevil (<i>Anthonomus grandis</i> Boheman), which affect cotton, okra and kenaf crops; in addition to phytosanitary measures in order to prevent the spread of such pests to pest-free areas. (...)	Pink bollworm (<i>Pectinophora gossypiella</i> Saunders) and cotton boll weevil (<i>Anthonomus grandis</i> Boheman), which affect cotton, okra and kenaf crops.	G/SPS/N/MEX/260
Malaysia	All Members	SPS	10-Mar-14	01-Jul-14	New Import Requirements for Importation of Plants, Plant Products and Regulated Articles into Malaysia 2014 Malaysia proposes to revise and implement new import requirements of plants, plant products and regulated articles into Malaysia following the gazette of Malaysian Quarantine and Inspection Services Act 2011. This Act requires that the importation of any plant into Malaysia shall require an import license. The commodities would also have to be accompanied by a phytosanitary certificate with additional declarations stating that appropriate treatment/measures have been applied prior to importation.	Processed and dried for consumption soy bean (<i>Glycine max</i>), corn/maize grain (<i>Zea mays</i>), dried for consumption cocoa bean (<i>Theobroma cacao</i>), processed and dried for consumption coffee beans (<i>Coffea Arabica</i> , <i>Robusta coffee</i> , <i>Coffea liberica</i>), fresh/dried leaves tobacco (<i>Nicotiana tabacum</i>), fresh/raw dried cotton (<i>Gossypium hirsutum</i>) (...)	G/SPS/N/MYS/27
Canada	All Members	SPS	21-Nov-13		Proposed Maximum Residue Limit: Chlorantraniliprole (PMRL2013-106). The objective of the notified document PMRL2013-106 is to consult on the listed domestic and import maximum residue limits (MRLs) for chlorantraniliprole that have been proposed by the Health Canada's Pest Management Regulatory Agency (PMRA). <u>MRL (ppm) Raw Agricultural Commodity (RAC) and/or Processed Commodity</u> (...) 0.3 Root and tuber vegetables (Crop Group 1)b, Cotton (Crop Subgroup 20C) ^c (...) ^c The currently established MRL of 0.3 ppm for undelinted cottonseed will be extended to Crop Subgroup 20C. ppm = parts per million MRLs are proposed for each commodity included in the listed crop groupings in accordance with the Residue Chemistry Crop Groups webpage http://www.hc-sc.gc.ca/cps-spc/pest/part/protect-protecter/food-nourriture/rccg-qcpcr-eng.php in the Pesticides and Pest Management section of Health Canada's website.	Pesticide chlorantraniliprole in or on various food commodities (ICS Codes: 65.020, 65.100, 67.040, 67.080, 67.100, 67.120, 67.200)	G/SPS/N/CAN/769, G/SPS/N/CAN/769/Add.1
Mexico	Peru	SPS	21-Oct-13		Pursuant to the Decision establishing the module of phytosanitary requirements for the importation of goods regulated by the Ministry of Agriculture, Livestock, Rural Development, Fisheries and Food, in relation to plant health (<i>Acuerdo por el que se establece el módulo de requisitos</i>	Cotton fibre (<i>Gossypium barbadense</i>), not carded or combed, for processing.	G/SPS/N/MEX/241, G/SPS/N/MEX/241/Add.1

Member	Partner affected	Notif. req.	Initiation/ Notification	In force	Measure description	Product description	Source
					<i>fitosanitarios para la importación de mercancías reguladas por la Secretaría de Agricultura, Ganadería, Desarrollo Rural, Pesca y Alimentación, en materia de sanidad vegetal</i>), published in the Mexican Official Journal on 7 February 2012, the phytosanitary requirements for the importation into Mexico of uncarded or uncombed cotton fibre (<i>Gossypium barbadense</i>) for processing, originating in and coming from Peru, established following the pest risk analysis or risk assessment, have been submitted for public comment.		
Brazil	All Members	SPS	12-Jul-13		Draft Resolution no. 25 of 2 July 2013 Draft Resolution regarding the active ingredient Diflubenzuron to be included in the monograph list of active ingredients of pesticides, household cleaning products and wood preservers, including the use in the cultures of cotton (0.2mg/kg; safety period of 28 days), rice (0.1mg/kg; safety period of 70 days), citrus (0.2mg/kg; safety period of 30 days), corn (0.2mg/kg; safety period of 60 days), soybean (0.2mg/kg; safety period of 21 days), tomato (0.5mg/kg; safety period of 4 days) and wheat (0.5mg/kg; safety period of 30 days).	Active ingredient Diflubenzuron on cotton, rice, citrus, corn, soybean, tomato and wheat	G/SPS/N/BRA/883
United States of America	All Members	SPS	11-Apr-13	27-Mar-13	Abamectin; Pesticide Tolerances This regulation raises tolerances for residues of abamectin (also known as avermectin B1 a mixture of avermectins containing greater than or equal to 80% avermectin B1a (5-O-demethyl avermectin A1) and less than or equal to 20% avermectin delta-8,9-isomer) in or on cotton and strawberries.	Cotton and strawberries	G/SPS/N/USA/2530
United States of America	All Members	SPS	05-Mar-13	27-Feb-13	Pyraflufen-ethyl; Pesticide Tolerances This regulation establishes tolerances for residues of pyraflufen-ethyl in or on multiple commodities which are identified and discussed later in this document. Nichino America, Inc. requested these tolerances under the Federal Food, Drug, and Cosmetic Act (FFDCA).	Almond, hulls; Cattle, fat; Cattle, meat; Cattle, meat by-products; Corn, field, forage; Corn, field, grain; Corn, field, stover; Cotton, gin by-products; Cotton, undelinted seed; (...)	G/SPS/N/USA/2523
Brazil	All Members	SPS	29-Oct-12		Draft Resolution n° 58 of 4 October 2012 Draft Resolution for the active ingredient Pymetrozine to be included in the monograph list of active ingredients of pesticides, household sanitizing products and wood preservers, including the use in the cultures of lettuce (MRL of 0.1 mg/kg and safety period of 7 days), cotton (MRL of 0.1 mg/kg and safety period of 7 days) (...)	Active ingredient P52 - Pymetrozine	G/SPS/N/BRA/837
Brazil	All Members	SPS	29-Oct-12		Draft Resolution n° 59 of 4 October 2012 Draft Resolution for the active ingredient Zeta-Cypermethrin to be included in the monograph list of active ingredients of pesticides, household sanitizing products and wood preservers, including the use in the cultures of cotton (MRL of 0.05 mg/kg and safety period of 15 days) (...)	Active ingredient Z60 - Zeta-Cypermethrin	G/SPS/N/BRA/841
Brazil	All Members	SPS	29-Oct-12		Draft Resolution n° 60 of 4 October 2012 Draft Resolution for the active ingredient Flumioxazin to be included in the monograph list of active ingredients of pesticides, household sanitizing products and wood preservers, including the use in the cultures of cotton (MRL of 0.05 mg/kg and safety period of 100 days)(...)	Active ingredient F46 - Flumioxazin	G/SPS/N/BRA/845

Member	Partner affected	Notif. req.	Initiation/ Notification	In force	Measure description	Product description	Source
United States of America	All Members	SPS	08-Oct-12	28-Sep-12	Sulfoxaflor; Pesticide Tolerances for Emergency Exemptions This regulation establishes time-limited tolerances for residues of sulfoxaflor, N-methyloxido [1-[6-(trifluoromethyl)-3-pyridinyl]ethyl] [lambda]\4\sulfanylidene] cyanamide, including its metabolites and degradates in or on cotton, undelinted seed; cotton, gin by-products; and cotton, hulls.	Cotton	G/SPS/N/USA/2476
United States of America	All Members	SPS	10-Sep-12	15-Aug-12	Flutriafol; Pesticide Tolerances for Emergency Exemptions This regulation establishes time-limited tolerances for residues of flutriafol in or on cotton, undelinted seed; cotton, meal; cotton, refined oil; and cotton gin by-products. This action is in response to EPA's granting of an emergency exemption under section 18 of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) authorizing use of the pesticide on cotton. This regulation establishes a maximum permissible level for residues of flutriafol in or on cotton commodities. The time-limited tolerances expire on 31 December 2014.	Cotton	G/SPS/N/USA/2451
China	All Members	TBT	23-Jul-12		Administrative Measures on Inspection and Supervision of Imported Cotton (9 pages, in Chinese) These Measures specify the administrative measures of inspection and supervision on the quality of imported cotton.	Imported cotton HS F5201000010 A5201000090	G/TBT/N/CHN/925
Peru	India	SPS	19-Jul-12	19-Oct-11	Resolución Directoral Nº 34-2011-AG-SENASA-DSV (Directorial Resolution No. 34-2011-AG-SENASA-DSV) The notified Directorial Resolution lifts the phytosanitary measures suspending the issue of phytosanitary import permits for cotton (Gossypium spp.) fibre, not carded or combed, originating in and coming from India.	HS tariff subheadings 5201.00.90.00, 5201.00.30.00, 5201.00.20.00 and 5201.00.10.00: Cotton fibre, not carded or combed.	G/SPS/N/PER/422
Peru	India	SPS	19-Jul-12	17-May-12	Resolución Directoral Nº 0012-2012-AG-SENASA-DSV (Directorial Resolution No. 0012-2012-AG-SENASA-DSV) The notified Directorial Resolution establishes the mandatory phytosanitary requirements governing the importation into Peru of cotton comber waste from India.	HS tariff subheading 5202.99.00.00: Cotton comber waste.	G/SPS/N/PER/428
China	All Members	TBT	18-Jul-12		National Standard of the P.R.C., Cotton Part1: Saw Ginned Upland Cotton i23 pages Cin Chinese j This standard specifies the quality requirements, classification criteria, test methods, inspection rules, inspection certificates, packages and marks, storage and transportation requirements etc. for saw ginned upland cotton. This standard applies to saw ginned upland cotton produced, purchased, processed, traded, stored and used in China.	Cotton-upland cotton ICS: 59.060.10	G/TBT/N/CHN/921
China	All Members	TBT	18-Jul-12		National Standard of the P.R.C., Cotton Part 2: Roller Ginned Upland Cotton i18 pages Cin Chinese j This standard specifies the quality requirements, classification criteria, test methods, inspection rules, inspection certificates, packages and marks, storage and transportation requirements etc. for roller ginned upland cotton. This standard applies to roller ginned upland cotton produced, purchased, processed, traded, stored and used in China.	Cotton-upland cotton ICS: 59.060.10	G/TBT/N/CHN/922
Brazil	All Members	SPS	15-Jun-12	06-Aug-12	Draft Resolution on Azadirachtin This draft sanitary regulation modifies Resolution RE nº 165, 29 August 2003, by including	Azadirachtin	G/SPS/N/BRA/814

Member	Partner affected	Notif. req.	Initiation/ Notification	In force	Measure description	Product description	Source
					in it the use of azadirachtin in the cultures of cotton, corn, soy and grape (Leaf application, LMR and safety period without restrictions).		
United States of America	All Members	SPS	11-Jun-12		Aldicarb; Cancellation Order for Amendments To Terminate Uses This notice announces EPA's order for the amendment to terminate uses, voluntarily requested by the registrant and accepted by the Agency, of products containing aldicarb, pursuant to section 6(f)(1) of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), as amended. This cancellation order follows an 7 October 2010 Federal Register Notice of Receipt of Request from the registrant, Bayer CropScience to voluntarily amend to terminate uses of the product, TEMIK[supreg] Brand 15G, containing aldicarb on citrus and potatoes effective immediately. The registrant also requested that EPA amend to terminate the remaining pesticide uses of this product on cotton, dry beans, peanuts, soybeans, sugar beets, and sweet potatoes, effective as of 31 December 2014. These are not the last products containing aldicarb registered for use in the United States of America. (...)	Multiple products	G/SPS/N/USA/2386
United States of America	All Members	SPS	08-Jun-12	14-May-12	Penflufen; Pesticide Tolerances Tolerances are established for residues of the fungicide penflufen, including its metabolites and degradates, in or on the following commodities listed in the table. Compliance with the tolerance levels specified in the table is to be determined by measuring only penflufen N-[2-(1,3-dimethylbutyl)phenyl]-5-fluoro-1,3-dimethyl-1H-pyrazole-4-carboxamide, in or on the following commodities. <u>Commodity</u> <u>Parts per million</u> Alfalfa, forage 0.01 Alfalfa, hay 0.01 Cotton, gin by-products 0.01 (...)	Multiple commodities	G/SPS/N/USA/2382
United States of America	All Members	SPS	08-Jun-12	14-May-12	Fluxapyroxad; Pesticide Tolerances Tolerances are established for residues of the fungicide fluxapyroxad, including its metabolites and degradates, in or on the commodities listed in the table below. Compliance with the tolerance levels specified below is to be determined by measuring only fluxapyroxad, 3-(difluoromethyl)-1-methyl-N-(3',4',5'-trifluoro[1,1'-biphenyl]-2-yl)-1H-pyrazole-4-carboxamide in or on the commodity. <u>Commodity</u> <u>Parts per million</u> Apple, wet pomace 2.0 Beet, sugar 0.1 Beet, sugar, dried pulp 0.1 Beet, sugar, tops 7.0 Cattle, fat 0.05 Cattle, meat 0.01 Cattle, meat by-products 0.03 Corn, field, grain 0.01	Multiple commodities	G/SPS/N/USA/2383

Member	Partner affected	Notif. req.	Initiation/ Notification	In force	Measure description	Product description	Source
					Corn, oil 0.03 Corn, pop, grain 0.01 Corn, sweet, kernels plus cobs with husks removed 0.15 Cotton, gin by-products 0.01 Cotton, undelinted seed 0.01 (...)		
Peru	United States of America	CV	02-Jun-12		Countervailing	Cotton	G/SCM/N/242/PER, G/SCM/N/250/PER
United States of America	All Members	SPS	10-May-12	02-Mar-12	Thiamethoxam; Pesticide Tolerances This regulation establishes tolerances for residues of thiamethoxam in or on multiple commodities. (a) General. Tolerances are established for residues of the insecticide thiamethoxam, including its metabolites and degradates, in or on the following commodities. Compliance with the tolerance levels specified below is to be determined by measuring only thiamethoxam 3-[(2-chloro-5-thiazolyl)methyl]tetrahydro-5-methyl-N-nitro-4H-1,3,5-oxadiazin-4-imine and its metabolite CGA-322704 N-[(2-chloro-thiazol-5-yl)methyl]-N'-methyl-N''-nitro-guanidine, calculated as the stoichiometric equivalent of thiamethoxam, in or on the following commodities: <u>Commodity</u> <u>Parts per million</u> (...) Cotton, gin by-products 1.5 Cotton, undelinted seed 0.10 (...)	Multiple	G/SPS/N/USA/2362
United States of America	All Members	SPS	02-May-12	06-Aug-12	Notice of Receipt of Requests for Amendments To Delete Uses in Certain Pesticide Registrations EPA is issuing a notice of receipt of request for amendments by registrants to delete uses in certain pesticide registrations for Buctril Herbicide (active ingredient Bromoxynil) on BTX cotton.	Cotton	G/SPS/N/USA/2359, G/SPS/N/USA/2359/Corr. 1
United States of America	All Members	SPS	18-April-12	9-March-12	This regulation establishes tolerances for residues of penthiopyrad in or on multiple commodities. (a) General. (1) Tolerances are established for residues of penthiopyrad, including its etabolites and degradates, in or on the commodities in the table below. Compliance with the tolerance levels specified below is to be determined by measuring only penthiopyrad (N-[2-(1,3-dimethylbutyl)-3-thienyl]-1-methyl-3-(trifluoromethyl)-1H-pyrazole-4-carboxamide). <u>Commodity</u> <u>Parts per million</u> (...) Cotton, seed 1.5 Cotton, gin by-products 15 (...)	Multiple	G/SPS/N/USA/2347

ANNEX 1**NOTES ON TARIFF RATE QUOTA COMMITMENTS FROM CHINA'S SCHEDULE**

1. Tariff quotas indicated in the third column are volumes for calendar year 2001. Tariff quota concessions will be implemented according to the date specified in the "implementation" column. The implementation column indicates the date (referring to 1 January of the year indicated) when the final quota quantity will be achieved. The tariff quota concessions are subject to equal annual adjustments (occurring on 1 January of each year), unless otherwise specified in the last column ("Other terms and conditions").
2. The People's Republic of China (hereinafter referred to as "China") shall maintain its in-quota applied and bound rates (and, upon removal of the tariff-quota, its applied and bound rates) for HS 1514 (rape or colza (canola) oil and its fractions, whether or not refined, but not chemically modified) at a level equal to that for HS 1507 (soya-bean oil and its fractions, whether or not refined, but not chemically modified) and for HS 1205 (rape or colza (canola) seeds, whether or not broken).
3. The growth rate for the TRQ volume for canola (rapeseed) oil shall be no less than the growth rate for the TRQ volume for soybean oil.
4. An entity granted a tariff quota allocation (quota-holder) may engage in importation through state-trading enterprises and/or through entities possessing the right to trade other than state-trading enterprises, including direct importation by the quota holder, as indicated on documentation issued with the allocation or reallocation of the tariff quota quantities.
5. Application: All applications for an allocation of the tariff-quota will be submitted to the State Development and Planning Commission (SDPC). Specific conditions for applying for a tariff-quota allocation will be published in the official journal one month in advance of the application period, which will be from 15 October to 30 October.
6. Allocation:
 - a. The entire tariff-quota quantity established in Section I-B shall be allocated to end users by 1 January each year. Inquiries regarding tariff-quota allocations can be made to the SDPC, with responses provided within 10 working days. Any additional requirement for importation will be automatic under the terms of the Agreement on Import Licensing Procedures. China shall equitably distribute allocations within each portion of the tariff-quota to ensure complete tariff-quota utilization and to establish a tariff-quota system that is open, transparent, fair, responsive to market conditions, timely, minimally burdensome to trade and reflects end user preferences.
 - b. In the first year, allocations to end users by the SDPC of the tariff-quota reserved for importation through state-trading enterprises shall be based on a first-come, first-served system or the requests of the applicants and their historical import performance, production capacity, or other relevant commercial criteria, subject to specific conditions to be published one month in advance of the opening of the application period so as to ensure an equitable distribution and complete tariff-quota utilization. In the first year, no less than 10 % of the tariff-quota reserved for importation through state-trading enterprises will be allocated to new quota-holders.
 - c. In the first year, allocations to end users by the SDPC of the tariff-quota reserved for importation through entities other than state-trading enterprises shall be based on a first-come, first-served system or the requests of the applicants and their historical import performance, production capacity, or other relevant commercial criteria. No less than 10% of the tariff-quota reserved for importation through entities other than state-trading enterprises will be allocated to new quota-holders. This tariff-quota will be limited to entities that do not receive any special or exclusive rights or privileges, and will include allocations to joint ventures, wholly foreign-funded enterprises, and private enterprises.
 - d. Except in cases where tariff-quota is allocated on a first-come, first-served basis, and in accordance with China's Schedule of Concessions and Commitments on Goods, a quota-

holder that has imported under a tariff-quota shall, upon application, receive an allocation of the tariff-quota in the following year for a quantity no less than the quantity imported the previous year. For all methods of allocation, a quota-holder that does not import its full allocation under a tariff-quota will receive a proportional reduction in the tariff-quota allocation in the subsequent year unless the quantity is returned to the SDPC prior to 15 September. A quota holder that has failed to import its full allocation in two consecutive years and has returned that unused portion by 15 September shall have its quota allocated in the following year on the basis of its fill rate in the most recent year, and will not benefit from any additional reallocations until and unless there are no other applications. The means of calculating the penalty will be included in the TRQ regulation in force and publicly available, and will be applied in a consistent and equitable manner.

- e. Allocations will be established for commercially viable shipping quantities and provisions will be made for partial shipments against a single tariff-quota allocation. All commercial terms of trade, including product specification, pricing, packaging, etc., will be at the sole determination of the importer and the exporter taking into full account the demands of the end user. Tariff-quota allocations will be valid for any item or mixture of items subject to the same tariff-quota.
- f. Inquiries on the entities which received the allocation can be made to the SDPC which shall provide the information within 10 days.

7. Term: The tariff-quota for each product will be opened on 1 January each year, unless otherwise specified in the Schedule. Tariff-quota allocations will be valid for the calendar year.

8. Reallocation:

- a. In any year, if a quota-holder has not contracted for the total quantity by 15 September, it shall return the unused portion of the tariff-quota quantity to the SDPC for reallocation.
- b. Applications for reallocation of the tariff-quota will be accepted by the SDPC from 1 September to 15 September and new allocations shall be assigned by 1 October. Specific conditions for applying for reallocation of tariff quotas will be published in the official journal one month in advance of the application period. Such allocations, which shall be to new applicants and to entities other than those returning quotas under sub-paragraph 8.A. above, will be assigned on a first-come, first-served basis. Quota-holders allocated a share of the tariff-quota reserved for importation through entities other than state-trading enterprises may import through any entity that has a right to trade in any product as specified in Section 5 of China's Protocol of Accession.
- c. Inquiries on the entities which received the reallocations can be made to the SDPC which will provide the information within 10 days.
- d. In situations where goods have been shipped from their port of origin before 31 December of any year, but are entered after 31 December of that year, China shall extend the validity of the tariff quota documents and shall count such shipments against the tariff quota allocation for the year in which the tariff quota was initially allocated.

Consultations:

9. With a view to maintaining a transparent and open tariff quota system, upon request from any WTO Member, China shall consult with the Member on the administration of the tariff quota to ensure that the tariff quota will be allocated in a transparent, equitable and non-discriminatory manner and that the tariff quota will be fully utilized.

Notes:

- 1. The share of the tariff-quota reserved for importation through state-trading enterprises is specified in column 7 of Section I-B. The remainder of the tariff-quota quantity is reserved for importation through any non-state trading enterprise possessing the right to trade in any product as set forth in Section 5 of China's Protocol of Accession.

In any year, if the quantity of the tariff-quota reserved for importation through state-trading enterprises has not been contracted for by 15 August, quota-holders will have the right to

trade or to import through any entity with the right to trade any product under Section 5 of China's Protocol of Accession.

2. China shall ensure that the applied duty for soybean oil, rapeseed oil, palm oil, peanut oil, cottonseed oil, sunflower seed oil, and corn oil is no greater than the applied duty for any one of these oils or for any other vegetable oil. Of the vegetable oils subject to tariff quota (i.e., soybean oil, rapeseed oil, and palm oil), if the tariff-quota for any one oil is autonomously increased, the tariff-quotas for the other two will be increased commensurately. Beginning 1 January 2006, China will remove soybean oil, rapeseed oil and palm oil from Annex 2A of the Protocol of Accession and will grant the right to trade such oils to all individuals and enterprises.
 3. All quota holders, that have already fully used or contracted their tariff-quota allocations in any year by 15 September shall also be eligible for reallocation of tariff-quota from other quota holders that have returned their allocations.
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ANNEX 2

CHAPTER NOTES CONCERNING TRQ COMMITMENTS FOR COTTON FROM THE U.S. SCHEDULE

"CHAPTER 52

COTTON

Additional U.S. Notes 1/

1. Under regulations prescribed by the Secretary of the Treasury, the staple length of cotton shall be determined for all customs purposes by application of the Official Cotton Standards of the United States of America for length of staple, as established by the Secretary of Agriculture and in effect when the determination is to be made.

5. There shall be permitted entry an aggregate quantity of cotton, entered under the provisions of additional U.S. notes 6 through 11, inclusive, to this chapter, of not less than the total quantity specified below.

	Quantity (metric tons)
1995	41,926.8
1996	48,850.4
1997	55,773.9
1998	62,697.5
1999	69,621.0
2000 and thereafter	76,544.6

An additional aggregate quantity of 10,000 metric tons is reserved for Mexico under this note.

The quantitative limitations established by this note may be administered through regulations (including licenses) issued by the Secretary of Agriculture.

1/ Note 1 and additional U.S. notes 2, 3 and 4 to this chapter are omitted from this section and are in section II of this schedule. Additional U.S. notes 5 through 11, inclusive, to this chapter are not in the Harmonized Tariff Schedule of the United States.

6. There shall be permitted entry an aggregate quantity of cotton, not carded or combed, having a staple length under 28.575 mm (1-1/8 inches) (except harsh or rough cotton, having a staple length under 19.05 mm (3/4 inch)), entered under subheading 5201.00.14 during the 12-month period beginning September 20 in any year, of not less than the total quantity specified below.

	Quantity (metric tons)
1995	8,495.05*
1996	10,837.45*
1997	13,179.85*
1998	15,522.25*
1999	17,864.65*
2000 and thereafter	20,207.05*

* Of the quantitative limitation provided for in this note, access levels are reserved as follows for entry under the provisions of this note:

	Quantity (kg)		Quantity (kg)
Egypt & Sudan (aggregate)	355,532	Honduras	341
Peru	112,469	Paraguay	395
India & Pakistan (aggregate)	908,764	Colombia	56
China	621,780	Iraq	88
Brazil	280,648	British East Africa	1,016
Union of Soviet Socialist Republics	215,512	Indonesia & Netherlands New Guinea (aggregate)	32,381

	Quantity (kg)		Quantity (kg)
Argentina	2,360	British West Indies (except Barbados, Bermuda, Jamaica, or Trinidad and Tobago)	9,671
Haiti	107	Nigeria	2,438
Ecuador	4,233	British West Africa (except Nigeria and Ghana)	7,259

The quantitative limitations established by this note may be administered through regulations (including licenses and reallocation of unfilled quotas) issued by the Secretary of Agriculture.

7. There shall be permitted entry an aggregate quantity of harsh or rough cotton, not carded or combed, having a staple length of 29.36875 mm (1-5/32 inches) or more but under 34.925 mm (1-3/8 inches) and white in colour (except cotton of perished staple, grabbots and cotton pickings), entered under subheading 5201.00.24 during the 12-month period beginning 1 August in any year, of not less than the total quantity specified below.

	Quantity (metric tons)
1995	900.0
1996	1,000.0
1997	1,100.0
1998	1,200.0
1999	1,300.0
2000 and thereafter	1,400.0

The quantitative limitations established by this note may be administered through regulations (including licenses) issued by the Secretary of Agriculture.

8. There shall be permitted entry an aggregate quantity of cotton, not carded or combed, having a staple length of 28.575 mm (1-1/8 inches) or more but under 34.925 mm (1-3/8 inches) (except harsh or rough cotton, not carded or combed, having a staple length of 29.36875 mm (1-5/32 inches) or more and white in color) but including cotton of perished staple, grabbots and cotton pickings, entered under subheading 5201.00.34 during the 12-month period beginning 1 August in any year, of not less than the total quantity specified below.

	Quantity (metric tons)
1995	5,200.0
1996	6,460.0
1997	7,720.0
1998	8,980.0
1999	10,240.0
2000 and thereafter	11,500.0

The quantitative limitations established by this note may be administered through regulations (including licenses) issued by the Secretary of Agriculture.

9. There shall be permitted entry an aggregate quantity of cotton, not carded or combed, having a staple length of 34.925 mm (1-3/8 inches) or more, entered under subheading 5201.00.60 during the 12-month period beginning August 1 in any year, of not less than the total quantity specified below.

	Quantity (metric tons)
1995	25,500.0
1996	28,420.0
1997	31,340.0
1998	34,260.0
1999	37,180.0
2000 and thereafter	40,100.0

The quantitative limitations established by this note may be administered through regulations (including licenses) issued by the Secretary of Agriculture.

10. There shall be permitted entry an aggregate quantity of card strips made from cotton having a staple length under 30.1625 mm (1-3/16 inches), and lap waste, sliver waste and roving waste of cotton, all the foregoing the product of any country or are including the United States of America, entered under subheading 5202.99.10 during the 12-month period beginning 20 September in any year, of not less than the total quantity specified below.

	Quantity (kg)
1995	1,835,427*
1996	2,135,427*
1997	2,435,427*
1998	2,735,427*
1999	3,035,427*
2000 and thereafter	3,335,427*

* Of the quantitative limitation provided for in this note, access levels are reserved as follows for entry under the provisions of this note:

	Quantity (kg)		Quantity (kg)
United Kingdom	653,695	Japan	154,917
Canada	108,721	China	7,857
France	34,385	Egypt	3,689
India & Pakistan (aggregate)	31,582	Cuba	2,968
Netherlands	10,317	Germany	11,540
Switzerland	6,711	Italy	3,215
Belgium	5,830		

The quantitative limitations established by this note may be administered through regulations (including licenses and reallocation of unfilled quotas) issued by the Secretary of Agriculture.

11. There shall be permitted entry an aggregate quantity of fibers of cotton processed but not spun, entered under subheading 5203.00.10 during the 12-month period beginning 11 September in any year, of not less than the total quantity specified below.

	Quantity (kg)
1995	1,000
1996	1,300
1997	1,600
1998	1,900
1999	2,200
2000 and thereafter	2,500

The quantitative limitations established by this note may be administered through regulations (including licenses) issued by the Secretary of Agriculture."

ANNEX 3**EXCERPT FROM ANNEX 1 TO G/AG/N/USA/2/ADD.3 AND G/AG/N/USA/34/ADD.1
NOTES FROM THE HARMONIZED TARIFF SYSTEM OF THE UNITED STATES****"36/ Short staple cotton**

from Additional U.S. Note 5 to Chapter 52 of the HTSUS:

5. The aggregate quantity of cotton, not carded or combed, the product of any country or area including the United States of America, having a staple length under 28.575 mm (1-1/8 inches) (except harsh or rough cotton, having a staple length under 19.05 mm (3/4 inch)), entered under subheading 5201.00.14 during the 12-month periods from 20 September 1999, through 19 September 2000, inclusive, shall not exceed 17,864.65 metric tons or from 20 September 2000, through 19 September 2001, inclusive, shall not exceed 20,207.05 metric tons (articles the product of Mexico shall not be permitted or included in the aforementioned quantitative limitation and no such articles shall be classifiable therein).

Of the quantitative limitations provided for in this note, the countries listed below shall have access to not less than the quantities specified below:

	Quantity (kg)
Argentina	2,360
Brazil	280,648
British East Africa	1,016
British West Africa (except Nigeria and Ghana)	7,259
British West Indies (except Barbados, Bermuda, Jamaica, Trinidad, Tobago)	9,671
China	621,780
Colombia	56
Ecuador	4,233
Egypt & Sudan (aggregate)	355,532
Haiti	107
Honduras	341
India & Pakistan (aggregate)	908,764
Indonesia & Netherlands New Guinea (aggregate)	32,381
Iraq	88
Nigeria	2,438
Paraguay	395
Peru	112,469
Armenia, Azerbaijan, Belarus, Estonia, Georgia, Kazakhstan, Kyrgyzstan, Latvia, Lithuania, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine and Uzbekistan (aggregate)	215,512

Other than as provided for in the country allocations above, articles the product of countries or areas who are not members of the World Trade Organization shall not be permitted or included in the quantitative limitations set forth in this note.

37/ Harsh or rough cotton

from Additional U.S. Note 6 to Chapter 52 of the HTSUS:

6. The aggregate quantity of harsh or rough cotton, not carded or combed, the product of any country or area including the United States of America, having a staple length of 29.36875 mm (1-5/32 inches) or more but under 34.925 mm (1-3/8 inches) and white in color (except cotton of perished staple, grabbotts and cotton pickings), entered under subheading 5201.00.24 during the 12-month periods from 1 August 1999, through 31 July 2000, inclusive, shall not exceed 1,300.0 metric tons or from 1 August 2000, through 31 July 2001, inclusive, shall not exceed 1,400.0 metric tons (articles the product of Mexico shall not be permitted or included in the aforementioned quantitative limitation and no such articles shall be classifiable therein).

Articles the product of countries or areas who are not members of the World Trade Organization shall not be permitted or included in the quantitative limitations set forth in this note.

38/ Medium staple cotton

from Additional U.S. Note 7 to Chapter 52 of the HTSUS:

7. The aggregate quantity of cotton, not carded or combed, the product of any country or area including the United States of America, having a staple length of 28.575 mm (1-1/8 inches) or more but under 34.925 mm (1-3/8 inches) (except harsh or rough cotton, not carded or combed, having a staple length of 29.36875 mm (1-5/32 inches) or more and white in colour) but including cotton of perished staple, grabbots and cotton pickings, entered under subheading 5201.00.34 during the 12-month periods from 1 August 1999, through 31 July 2000, inclusive, shall not exceed 10,240.0 metric tons or from 1 August 2000, through 31 July 2001, inclusive, shall not exceed 11,500.0 metric tons (articles the product of Mexico shall not be permitted or included in the aforementioned quantitative limitation and no such articles shall be classifiable therein).

Articles the product of countries or areas who are not members of the World Trade Organization shall not be permitted or included in the quantitative limitations set forth in this note.

39/ Long staple cotton

from Additional U.S. Note 8 to Chapter 52:

8. The aggregate quantity of cotton, not carded or combed, the product of any country or area including the United States of America, having a staple length of 34.925 mm (1-3/8 inches) or more, entered under subheading 5201.00.60 during the 12-month periods from 1 August 1999, through 31 July 2000, inclusive, shall not exceed 37,180.0 metric tons or from 1 August 2000, through 31 July 2001, inclusive, shall not exceed 40,100.0 metric tons (articles the product of Mexico shall not be permitted or included in the aforementioned quantitative limitation and no such articles shall be classifiable therein).

Articles the product of countries or areas who are not members of the World Trade Organization shall not be permitted or included in the quantitative limitations set forth in this note.

40/ Cotton waste

from Additional U.S. Note 9 to Chapter 52 of the HTSUS:

9. The aggregate quantity of card strips made from cotton having a staple length under 30.1625 mm (1-3/16 inches), and lap waste, sliver waste and roving waste of cotton, all the foregoing the product of any country or area including the United States of America, entered under subheading 5202.99.10 during the 12-month periods from 20 September 1999, through 19 September 2000, inclusive, shall not exceed 3,035,427 kilograms or from 20 September 2000, through 19 September 2001, inclusive, shall not exceed 3,335,427 kilograms (articles the product of Mexico shall not be permitted or included in the aforementioned quantitative limitation and no such articles shall be classifiable therein).

Of the quantitative limitations provided for in this note, the countries listed below shall have access to not less than the quantities specified below:

	Quantity (kg)
Belgium	5,830
Canada	108,721
China	7,857
Cuba	2,968
Egypt	3,689
France	34,385
Germany	11,540
Italy	3,215
India & Pakistan (aggregate)	31,582
Japan	154,917
Netherlands	10,317
Switzerland	6,711
United Kingdom	653,695

Other than as provided for in the country allocations above, articles the product of countries or areas who are not members of the World Trade Organization shall not be permitted or included in the quantitative limitations set forth in this note.

41/ Cotton processed but not spun

from Additional U.S. Note 10 to Chapter 52 of the HTSUS:

10. The aggregate quantity of fibers of cotton processed but not spun, entered under subheading 5203.00.10 during the 12-month periods from 11 September 1999, through 10 September 2000, inclusive, shall not exceed 2,200 kilograms or from 11 September 2000, through 10 September 2001, inclusive, shall not exceed 2,500 kilograms (articles the product of Mexico shall not be permitted or included in the aforementioned quantitative limitation and no such articles shall be classifiable therein).

Articles the product of countries or areas who are not members of the World Trade Organization shall not be permitted or included in the quantitative limitations set forth in this note."

ANNEX 4

MEMBERS' REPLIES TO THE QUESTIONNAIRE ON NEW OR UPDATED
COTTON-RELATED POLICY DEVELOPMENTS

1. Since the second dedicated discussion of the relevant trade-related developments for cotton of 28 November 2014, Members agreed that, in order to complement the revised background paper to be prepared by the WTO Secretariat and in advance of each dedicated discussion, a questionnaire would be sent to Members to seek updates, on a voluntary basis, on their recent cotton-related policy developments across the three pillars of Market Access, Domestic Support and Export Competition.²⁸ Members were also invited to provide an assessment of the impact (or anticipated impact), if available, of those new or updated policy developments.

2. This Annex compiles Members' replies to the questionnaires circulated on 4 February 2015 and 17 September 2015. The following table lists Members who have replied to the questionnaires. The replying Members who are among the 32 Members identified in paragraph 8 to 10 of this paper as markets of interest to LDCs are identified in bold:

Members who replied to the questionnaire circulated on 4 February 2015	Members who replied to the questionnaire circulated on 17 September 2015
Australia; Benin; Brazil; Chad; China²⁹; Colombia; Egypt; European Union; Hong Kong, China; Israel³⁰; Macao, China; Mali; Mauritius; Pakistan; Peru; Russian Federation; Chinese Taipei; United States of America and Uruguay.	Australia; European Union; and Peru.

3. Some Members provided a "nil" reply, i.e. they did not report any new or updated policy development across the three pillars of Market Access, Domestic Support and Export Competition. These Members are listed in the table below.

Members with a nil reply to the questionnaire circulated on 4 February 2015	Members with a nil reply to the questionnaire circulated on 17 September 2015
Australia; Hong Kong, China; Macao, China; Mauritius; Pakistan; Chinese Taipei and Uruguay.	European Union ³¹

4. The replies from other Members are reproduced below.

²⁸ Paragraph 12 of the Chairperson report on the second dedicated discussion of the relevant trade-related developments for cotton (TN/AG/29 and TN/AG/SCC/3).

²⁹ China's reply was provided after the circulation of the second revised background paper. This reply was included in document TN/AG/GEN/34/Rev.2/Add.1 - TN/AG/SCC/GEN/13/Rev.2/Add.1.

³⁰ Israel's reply was received after the circulation of the second revised background paper and was included in document TN/AG/GEN/34/Rev.2/Add.1 - TN/AG/SCC/GEN/13/Rev.2/Add.1.

³¹ The European Union informed that no new policy developments can be reported since its reply to the questionnaire circulated on 4 February 2015.

Reply from Australia to the questionnaire circulated on 17 September 2015

The 2013 WTO Bali Package contained a number of measures relating to agriculture, including on cotton. While Australia welcomed the 2013 Bali Package as a credible step forward in the Doha Round negotiations, including on cotton, there remains much work to be done to achieve substantial reductions in agricultural support and protection provided to cotton. Australia understands the importance of cotton to the cotton producing economies of the Least Developed Countries (LDCs). To assist LDCs improve their trade, Australia has provided LDCs fully duty-free and quota-free access to our market, including on cotton, since 2003. This has contributed to notable increases in LDC exports to Australia-averaging about 13% per year between 2003 and 2013.

Reply from Peru to the questionnaire circulated on 17 September 2015 (original reply in Spanish)

1. Market access

During the analysis period, Peru did not apply or maintain any cotton-related policy concerning market access.

2. Domestic support

Cotton Financing Programme (2015-2016 season)

Description of the programme:

Funding programme consisting of the provision of repayable loans to eligible cotton producers in the coastal region for support activities (seasonal), including the purchase of inputs, machinery, labour, administrative costs and technical assistance.

Objective:

Provision of loans to finance cotton farming. The financing is intended for the purchase of inputs (seed, fertilizers and agrochemicals), machinery, labour, administrative costs and technical assistance.

Beneficiaries:

Cotton producers, through producer organizations (formally established cooperatives and/or committees) which, in addition, are involved in business management and technical assistance work.

Duration:

The 2015-2016 season began in July 2015, and the payments will end in March 2016.

Form of benefit:

For the 2015-2016 cotton season, AGROBANCO will continue its funding programme at a preferential rate for cotton producers (Annual Effective Rate: 15%), covering 3,500 ha and 1,200 producers. The areas concerned are located between the Santa valley in the north and the Ica valley in the south, i.e. the areas producing mainly Tanguis cotton, and to a lesser extent the IPA-59 and Hazera varieties.

Funding is expected to amount to S/4,900 per ha³², with a maximum of 4 ha per producer, distributed as shown in the table below – i.e. farmers will have a credit line totalling S/17,150,000:

Category	Amount (in soles)
Inputs and services: seed, fertilizers, agrochemicals	2,300.00
Machinery and labour	2,330.00
Technical assistance	160.00
Administrative costs	50.00
Technical management	60.00
Total	4,900.00

Source: Cotton Programme–AGROBANCO.
Preparation: MINCETUR.

It should be pointed out that the financing programme goes hand in hand with a marketing programme which aims to bring the producer and buyer together in order to improve the price of the quintal of raw cotton in the different production areas.

Based on past experience with El Niño (1997-1998), all indications are that cotton should not be cultivated in Lambayeque and Piura, at least until the impact that has been predicted for the 2015-2016 season can be ruled out.

3. Export competition

Peru does not provide export subsidies for agricultural products, including cotton.

³² This amount is lower when the producer can do without a certain category either because it can fund the resources itself or because it already has them.

The latest notification, submitted pursuant to Article 18.2 of the WTO Agreement on Agriculture and document G/AG/2 (Notification Requirements and Formats), concerns export subsidy commitments (Table ES:1) for the year 2014 and was circulated as WTO document G/AG/N/PER/14 of 6 July 2015. It notifies that Peru provided no export subsidies in respect of agricultural products in 2014.

Reply from Benin to the questionnaire circulated on 4 February 2015 (original reply in French)

TABLE ON DOMESTIC COTTON SECTOR REFORMS FOR ENHANCED DEVELOPMENT ASSISTANCE					
Cotton proponents	Measure ^a	Description	Implementation status/period	Focal point	Reform priorities ^b
Benin					Rural development policy declaration
	Decisions of the Council of Ministers at its special sessions of 20 and 21 January 2014	Authorization to export cotton seed produced during the 2013/2014 season.	21 January 2014	Ministère de l'Agriculture, de l'Élevage et de la Pêche 03 BP 2900 Cotonou, Benin Ministère de l'Économie et des Finances BP 302 Cotonou, Benin Interministerial Committee	Seed cotton marketing
	Decisions of the Council of Ministers at its special session of 28 January 2014	Review of tender documents for the supply of agricultural inputs for the 2014/2015 season.	28 January 2014	Ministère de l'Agriculture, de l'Élevage et de la Pêche 03 BP 2900 Cotonou, Benin Ministère de l'Économie et des Finances BP 302 Cotonou, Benin Ministers on the Interministerial Committee	Provision of agricultural inputs for the 2013/2014 season
	Decisions taken by the Council of Ministers at its session of 14 February 2014, in the presence of the Head of State and Government	Implementation of urgent measures for the successful marketing, transport, storage and ginning of seed cotton during the 2013/2014 cotton season.	14 February 2014	Ministère de l'Agriculture, de l'Élevage et de la Pêche 03 BP 2900 Cotonou, Benin Ministère de la Défense Nationale Ministère de l'Économie et des Finances BP 302 Cotonou, Benin	Security arrangements for a successful 2013/2014 cotton season

TABLE ON DOMESTIC COTTON SECTOR REFORMS FOR ENHANCED DEVELOPMENT ASSISTANCE

Cotton proponents	Measure ^a	Description	Implementation status/period	Focal point	Reform priorities ^b
	Decisions taken by the Council of Ministers at its session of 23 April 2014, in the presence of the Head of State and Government	Additional urgent measures for removing seed cotton from warehouses and storage premises and moving it closer to the ginning plants during the 2013/2014 season.	23 April 2014	Ministère de l'Agriculture, de l'Élevage et de la Pêche 03 BP 2900 Cotonou, Benin Ministère de la Défense Nationale Ministère de l'Économie et des Finances BP 302 Cotonou, Benin	Cotton ginning during the 2013/2014 season
	Decisions taken by the Council of Ministers at its session of 23 April 2014, in the presence of the Head of State and Government	Procurement of additional packaging for cotton fibre and seed for oil extraction during the 2013/2014 season.	23 April 2014	Ministère de l'Agriculture, de l'Élevage et de la Pêche 03 BP 2900 Cotonou, Benin Ministère de l'Économie et des Finances BP 302 Cotonou, Benin	Packaging of downstream products (cotton fibre and seed for oil extraction) during the 2013/2014 season
	Decisions taken by the Council of Ministers at its session of 15 May 2014, in the presence of the Head of State and Government	Downward adjustment of the transfer price of cotton seed for oil extraction during the 2013/2014 season.	15 May 2014	Société Nationale pour la Promotion Agricole (SONAPRA) BP 933 Tel.: (+229) 2133-0820 Fax: (+229) 2133-1948 Cotonou, Benin	Reduction in the transfer price of cotton seed for oil extraction during the 2013/2014 season

TABLE ON DOMESTIC COTTON SECTOR REFORMS FOR ENHANCED DEVELOPMENT ASSISTANCE

Cotton proponents	Measure ^a	Description	Implementation status/period	Focal point	Reform priorities ^b
	Decisions taken by the Council of Ministers at its session of 15 May 2014, in the presence of the Head of State and Government	Fixing the purchase price of organic seed cotton for the 2013/2014 season.	15 May 2014	Ministère de l'Agriculture, de l'Élevage et de la Pêche 03 BP 2900 Cotonou, Benin Ministère de l'Économie et des Finances BP 302 Cotonou, Benin Ministère du Développement, de l'Analyse Économique et de la Prospective Tel.: (+229) 2130-0030 Cotonou, Benin Ministère de l'Industrie, du Commerce et des Petites et Moyennes Entreprises Tel.: (+229) 2130-8208 04 BP 249 Cotonou, Benin	Increase in the organic cotton purchase price during the 2013/2014 season
	Decisions taken by the Council of Ministers at its special session of 26 July 2014	Creation of the Agricultural Inputs Purchasing Pool (CAIA).	26 July 2014	Société Nationale pour la Promotion Agricole (SONAPRA) BP 933 Tel.: (+229) 2133-0820 Fax: (+229) 2133-1948 Cotonou, Benin	Low-cost supplies for producers
	Decree No. 2014-533 of 25 August 2014 on the requisitioning of SODECO's plants	Requisitioning of the plants of the Cotton Development Company (SODECO).	25 August 2014	Société Nationale pour la Promotion Agricole (SONAPRA) BP 933 Tel.: (+229) 2133-0820 Fax: (+229) 2133-1948 Cotonou, Benin	
	Decree No. 2014-534 of 25 August 2014 on appointment of the National Coordinator to manage the plants taken over from SODECO	Appointment of the National Coordinator of SODECO's plants.	25 August 2014	Société Nationale pour la Promotion Agricole (SONAPRA) BP 933 Tel.: (+229) 2133-0820 Fax: (+229) 2133-1948 Cotonou, Benin	

Reply from Brazil to the questionnaire circulated on 4 February 2015

With regard to the request sent on February 4th regarding any development on cotton, the update for Brazil is the following:

- 1) **Export competition:** no export subsidy granted since January 2014;
- 2) **Market Access:** no changes in import tariffs since January 2014; and
- 3) **Domestic support:** no change in the Brazilian agricultural policy for cotton in 2014. For the marketing-year of 2013/2014 (June 2013 to June 2014), there were no official disbursement regarding cotton.

Reply from Chad to the questionnaire circulated on 4 February 2015 (original reply in French)

The Permanent Mission of the Republic of Chad to the World Trade Organization (WTO) presents its compliments to the WTO Secretariat and, further to the Secretariat's correspondence of 4 February 2015 on relevant trade-related developments for cotton, has the honour to transmit herewith details of new cotton-related policy developments that have occurred in Chad since January 2014 in relation to the following three pillars:

1. **Market access:** Chad has adopted an action plan with a view to substantially increasing production in its cotton sector. This will enable the country to boost exports to the main consumer countries, most notably Bangladesh, India, Indonesia, Portugal and Germany.
2. **Domestic support:** Despite a difficult budgetary situation, due to the fall in oil prices which has spread to other raw materials and which has played a significant role in slowing down the country's economic growth, the Chadian State has fought to maintain its cotton sector, which is of considerable economic and social importance for millions of Chadians. This support, which has a significant impact on priority sectors such as education and health, clearly demonstrates the Government's determination to do everything possible to ensure that this important sector does not disappear - something that would have disastrous consequences for Chad and its population. This support is consistent with Article 6.2 of the Agreement on Agriculture.
3. **Export competition:** Chad continues to suffer the severe financial consequences of falling cotton prices due to the unfair competition that we are continuously denouncing at the WTO. If all cotton-producing countries were on an equal footing in the international market, Chadian cotton would be more competitive and the cotton sector would be making a profit instead of the successive losses recorded in recent years.

This is a moral issue within the WTO, and as WTO Members we are all responsible for finding a solution to this situation, which is unacceptable to countries like ours.

The Permanent Mission of the Republic of Chad to the World Trade Organization takes this opportunity to renew the assurances of its highest consideration to the WTO Secretariat.

1. ACCESS TO INTERNATIONAL MARKETS

The *Société Cotonnière du Tchad* (COTONTCHAD) exported 31,700 tonnes of fibre in 2014 and envisages export production of 52,000 tonnes of fibre in 2015, i.e. an increase of almost 50%. This significant increase is linked to the creation of a business plan that envisages a gradual increase in production to 120,000 tonnes of fibre by 2018.

This business plan was adopted by the Board of Directors, which includes representatives of the various Ministers responsible for agricultural policy in general and the development of the cotton sector in particular.

The increase in production has been possible thanks to the support the State has provided by selling inputs (fertilizer, insecticides and various other materials) to farmers to increase crop yields, and the increase in the purchase price paid to cotton farmers, which is set at 240 CFAF/kg for high-grade cotton.

Cotton is of considerable economic and social importance to Chad. The Chadian government has spared no effort to provide financial support to increase cotton production, since this sector provides a livelihood, both directly and indirectly, for almost 3 million people. The cotton sector is the only sector that brings large quantities of fresh capital into producing regions. It helps to settle the population, and COTONTCHAD SN, which is in charge of purchasing, ginning and marketing, funds village associations with a view to the construction of classrooms and family health clinics.

CFAF 20 billion in cash was distributed to farmers in 2014 for the purchase of seed cotton, and the company plans to provide CFAF 31 billion in 2015. In anticipation of the increase in production in the next two to three years, the Chadian State has committed itself, via the Development Bank of Central African States (BDEAC), to a long-term loan of approximately

CFAF 30 billion for COTONTCHAD SN, so as to ensure the renewal and strengthening of logistics and industrial infrastructure.

Due to the lack of cotton processing infrastructure at national and regional level, COTONTCHAD SN exports 98% of its production abroad. The main consumer markets are Asian and European countries. Although there are no particular restrictions affecting Chad directly, certain domestic policies implemented by wealthier countries distort competitiveness. This means that certain mills, while appreciating the intrinsic qualities of Chadian cotton, refrain from buying our cotton when they compare its price with the local prices of their own production, which are driven down artificially. However, given the much appreciated quality of Chadian cotton, our sales remain steady, despite the fall in prices.

Listed below are the main consumers of Chadian cotton in 2014 and 2015:

EXPORTS OF CHADIAN COTTON BY COUNTRY

COUNTRY	QUANTITY (TONNES)	
	2014	Projection for 2015
Germany	1,500	3,500
Portugal	2,550	5,200
Spain	700	1,300
Italy	200	900
India	8,300	9,500
Indonesia	3,380	5,800
Bangladesh	11,415	18,220
China	1,850	3,800
Malaysia	180	680
Thailand	500	600
Viet Nam	1,125	2,500
Total	31,700	52,000

2. STATE DOMESTIC SUPPORT

In 2014, the Chadian State budgeted 6.9 billion to support farmers by subsidizing fertilizer. For 2015, it budgeted 6.69 billion. Of the amount for 2014, COTONTCHAD SN received 3.5 billion, although nothing has yet been paid out under the 2015 budget due to the country's current economic and financial situation, which is particularly difficult.

This support is consistent with the provisions of Article 6.2 on special and differential treatment for the promotion of agriculture and rural areas in low-income countries and the fight against poverty.

Despite a difficult budgetary situation, due to the drop in oil prices which has spread to other raw materials and which has played a significant role in slowing down the country's economic growth, the Chadian State has fought to maintain its cotton sector, which is of considerable economic and social importance for millions of Chadians. The State's actions, which have had an important impact on priority sectors such as education and health, clearly demonstrate the Government's determination to do everything possible to ensure that this important sector does not disappear - something that would have disastrous consequences for Chad and its population.

Cotton plays a pivotal role in our country's development. It is competitive. And yet it suffers from the effects of the massive cotton subsidies provided by certain countries, which have the effect of driving down prices on the international market.

For Chad, the time has come to move on from general statements and engage constructively in substantive discussions on the cotton issue. This belief forms the basis of its commitment and determination to continue negotiating with other C4 members at the WTO. Chad remains open to any initiatives that might help to find an acceptable solution to the cotton issue.

3. EXPORT COMPETITION

The massive support provided to farmers in the form of both production and operating subsidies by countries such as the United States and China and by the European Union constitute unfair competition and have been denounced for several years now by the C4 countries within the WTO

framework. The least developed countries (LDCs) continue to suffer the severe financial consequences of falling cotton prices. If all cotton-producing countries were on an equal footing in the international market, African cotton would be more competitive and the cotton sector would be making a profit instead of the successive losses recorded in recent years.

Countries such as the United States and China have introduced mechanisms to help the C4 countries with a view to repairing the harm they have suffered, but these interventions amount to very little when compared with the hundreds of millions of dollars paid to their respective producers.

What is being demanded by the C4 countries in general, and by Chad in particular, is compliance with the WTO rules that condemn unfair competition and the artificial driving down of prices, rather than the rules on subsidies, which are already well defined and should be limited in terms of volume.

Reply from China to the questionnaire circulated on 4 February 2015³³

First, China supports C-4's position and their request to solve their problem according to the Ministerial Decision on Cotton of December 2013 adopted at MC9. We also support the approach to solve the problem of cotton on the basis of the Agriculture Modalities of 2008 (TN/AG/W/4/Rev.4). We would continue to work together with all Members to find the solution to this issue.

Second, China's cotton sector is subsistence farming.

China is among the largest cotton producers in the world. However, China's production is based on small-scale and subsistence farming, and the average acreage of cotton is 0.3 hectare per household. Moreover, China's cotton production is located remotely in the resource-poor and underdeveloped ethnic minority areas, serving as the only instrument for local livelihood security and poverty reduction.

After joining the WTO, China's cotton production has shown a declining trend; the cotton acreage has diminished from 4.8 million hectares in 2001 to 4.3 million hectares in 2013. The main reason for such a decline is the high production cost compared to the lower price of cotton caused by subsidies of the developed Members.

Third, China's cotton subsidies are at minimal low level.

China's agriculture support toolbox is short supplied compared to other WTO Members. It has no AMS including on cotton, no development box. China is only entitled to *de minimis*, for which the level is also lower than for other developing Members (8.5% versus 10%).

China's cotton support remains lower both in absolute terms and per capita terms. In absolute terms, China's cotton support is US\$480 million. In per capita terms per cotton farmer, China's cotton support is only just US\$16.

Fourth, China's cotton subsidy policy is a passive response.

China has been the victim to the cotton subsidies by the developed Members. Since its accession into the WTO, China's cotton imports surged from 113,000 tonnes to 4.2 million tonnes, while the cotton acreage actually diminished.

China's poor subsistence cotton farmers are over 30 million in household, and they will be forced out of jobs if the Government does not take the necessary actions. Therefore, the Chinese Government has no choice but to subsidize its poor cotton farmers to offset the subsidies and safeguard the livelihood of those poor farmers.

Fifth, China's cotton subsidy policy does not distort international trade.

China's temporary cotton reserve policy is designed to offset the turbulence of the volatile international market caused by the subsidies of developed Members. This policy does not create production distortion or trade distortion. On the production side, China's cotton production does not increase in a significant manner. On the import side, China's cotton import continues to increase from 2.8 million tonnes in 2010 to 4.2 million tonnes in 2013. If the import on cotton yarn is included, the cotton import will be increased from 4.1 million tonnes to 6.5 million tonnes, which provides strong incentives for all cotton producers and the developing ones in particular in the context of depressed global cotton prices. In addition, the cotton in stock is intended for domestic textile industry rather than for export, thus producing no distortion on international cotton market.

In the meantime, exports of Chinese textiles are still subject to tariff peaks, tariff escalations and other protectionist measures of developed Members, which the developed Members intend to ignore through the so-called recalibration exercise.

³³ This reply was provided after the circulation of the second revision of this background paper and is included in document TN/AG/GEN/34/Rev.2/Add.1 - TN/AG/SCC/GEN/13/Rev.2/Add.1.

Sixth, China has made significant contribution to resolving the cotton issue.

China has been the largest cotton importer, and its share in the global cotton import has been consistently more than 50%, which creates a lot of market access for the export developing Members.

China has been extensively importing a large amount of cotton from African cotton-producing Members, including the C-4. During the period 2001 to 2013, China's cotton imports from Africa increased from 3,700 tonnes to 442,000 tonnes.

On the development assistance side, China has been committed to providing technical and financial assistance to the C-4 to enhance their production and export capacity. China signed cooperation Communiqués with the C-4 members in 2011 and 2013, respectively, which cover the supplies of agriculture inputs, training courses, technology transfer, etc. In addition, China has also been providing various cotton-related assistance to the C-4 through bilateral channels.

On the allocation of the cotton TRQ

Regarding the allocation of TRQ of cotton, it is consistent with China's WTO commitment. Another related question is about the import exceeding the import quota. In addition to the 894,000 tonnes, we import more than the TRQ subject to the sliding duties.

On China's domestic support notification

Regarding the notification, China has just updated its domestic support notification up to 2010, and preparation for new notifications is underway.

On China's cotton stock

Regarding China's cotton stock, the stock is real, as we have imported more cotton than our obligation. We import cotton for textile processing, but we are facing a lot of difficulties in the textile sector as just mentioned. The other reason for the huge stock is that the price for cotton is distorted by the subsidies from developed Members.

Reply from Colombia to the questionnaire circulated on 4 February 2015 (original reply in Spanish)

The WTO questionnaire requests updated information (2014) on cotton-related policy developments.

- 1) **Market access:** Although in the FTA with the United States Colombia granted immediate tariff-free access for cotton from the US, by Resolution 44 of 2015 the Colombian Government opened a 20,400 tonne import quota at a zero tariff rate for uncarded and uncombed cotton under tariff subheading 5201.00.30.00 originating in the countries with which Colombia does not currently have any trade agreements. This quota was opened to help supply the industry following the decline in production. In 2014, the area under cotton had fallen by 59% compared to 2004, from 81,000 to 33,000 hectares. During the same period production fell by 43%, from 147,000 tonnes in 2004 to 83,000 tonnes in 2014.
- 2) **Domestic support:** Although the measure is not new, in 2014 farmers were paid 48 billion Colombian pesos through the Minimum Guaranteed Price (PMG). On average, cotton fibre producers received 1,580,495 Colombian pesos per tonne in compensation during that year. The Minimum Guaranteed Price is maintained as an instrument to protect the income of domestic cotton producers. Colombia does not have any new or updated instruments for cotton; in other words, the sector does not have any other types of direct or sector-specific support measures.
- 3) **Export competition:** Colombia did not apply any export competition measures.

Reply from Egypt to the questionnaire circulated on 4 February 2015

1. Applied tariffs on cotton versus bound tariffs (2015)

HS	Description	Applied tariff 2015 %	Bound Tariff %
5201.00	Cotton, not carded or combed	Free	5
5202.00	Cotton waste (including yarn waste and garnetted stock)		
5202.10	- Yarn waste (including thread waste)	5	5
	- Other:		
5202.91	-- Garnetted stock	5	5
5202.99	-- Other	5	5
5203.00	Cotton, carded or combed	5	5

2. Egyptian cotton trade

	2012		2013		2014	
	Quantity (tonnes)	Value (USD million)	Quantity (tonnes)	Value (USD million)	Quantity (tonnes)	Value (USD million)
Exports	86,775.62	197.07	67,097.50	136.69	37,313.53	89.90
Imports	16,412.16	44.47	4,833,833.36	170.41	76,436.45	175.94

3. Egyptian cotton production (in metric cantars, 1 metric cantar = 50 kg)

Year	2011-2012	2012-2013	2013-2014	2014-2015
production	3,685,927	2,164,949	1,880,564	2,482,198

Reply from the European Union to the questionnaire circulated on 4 February 2015

Direct payments for cotton in accordance with Article 6.5

The EU provided direct payments for cotton in accordance with Article 6.5 of the Agreement on Agriculture in following amounts (in million EUR).

Description of Measure	2011	2012	2013
Payments based on fixed area and yields: Cotton (Title IV, Chapter 1, Section 6 of Regulation (EC) No 73/2009; from 2015, Title IV, Chapter 2 of Regulation (EU) No 1307/2013)	245.8	242.3	231.8

Support for cotton complying with Annex 2 criteria

Cotton in the EU is mainly grown in Greece and in the Spanish regions of Andalucía and Murcia (Bulgaria produces cotton on less than 1 000 ha). There are no Green Box measures for cotton applied in Murcia, whereas in Greece and Andalucía cotton growers could apply, among other producers, for support under certain agri-environmental measures, upon finalisation of the 2014-2020 rural development programs of Andalucía and Greece. These measures aim at encouraging cotton farmers (as cotton is an irrigated crop) to diversify and grow non-irrigated crops. The objective of the measure is to preserve the environment by reducing the consumption of irrigated water, reduce the use of chemical inputs and limit the release of greenhouse gas emissions.

Other support measures for cotton

Cotton production in the EU is not subject to any product specific AMS payments and no export subsidies, tariffs, SSG, TRQs or other non-tariff measures (SPS, TBT, general safeguard or anti-dumping measures, countervailing duties, state trading enterprises and quantitative restrictions) apply on cotton in the EU.

Market overview

The EU cotton sector was heavily affected by the 2006 reform. The decoupling of the support led to a relative drop in the profitability of cotton compared to competing crops, such as certain cereals, oilseed and pulses. This had an effect of a decrease in planted areas of cotton. Since the 2006 reform, developments in the EU cotton sector have followed trends on the world market, and production and the area planted have never reached levels prior to the 2006 reform.

Production of ginned cotton in the EU from 2001 to 2014 (in '000 tonnes)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014e
Bulgaria	10,1	10	4,2	2,6	1,3	1,1	0,8	0,7	0,5	0,9	0,4	0,3		
Spain	104	101,8	96,5	115,1	113,4	47,8	42,4	18,6	26,4	38	60,3	62,9	48,0	61,4
Greece	400	362	311	331	352	284,8	236,2	217,8	215,2	183,8	233,2	260	298	330
EU	514,1	473,8	411,7	448,7	466,7	333,7	279,4	237,1	242,1	222,7	293,9	323,2	346,0	391,4

Production of unginned cotton in the EU from 2001 to 2014 (in '000 tonnes)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014e
Bulgaria	30,6	30,3	12,7	7,9	3,9	3,3	2,4	2,1	1,5	1,2	0,9			
Spain	315,2	308,5	292,4	348,8	343,6	144,8	128,5	56,4	80,0	115,1	182,8	190,7	145,6	186
Greece	1 212,1	1 097,0	942,4	1 003,0	1 066,7	863,0	715,8	660,0	652,1	557,0	706,7	787,9	903,0	1 000
EU	1 557,9	1 435,8	1 247,6	1 359,7	1 414,2	1 011,2	846,7	718,5	733,6	674,8	890,7	979,5	1 048,6	1 186

Source: Eurostat, USDA and Agrosynergie.

Reply from Israel to the questionnaire circulated on 4 February 2015³⁴

Israel's budgetary outlay for cotton in both thousand US\$ and thousand tonnes (marketing year, 1 October-30 September) for 2013 and 2014 were zero.

In addition, market price support, non-exempt direct payments, other product-specific support, product-specific EMS during 2013 and 2014 were also zero.

Product-specific AMS (non-exempt direct payments) for cotton during 2014 was US\$47,000 (de minimis).

³⁴ This reply was provided after the circulation of the second revision of this background paper and is included in document TN/AG/GEN/34/Rev.2/Add.1 - TN/AG/SCC/GEN/13/Rev.2/Add.1.

Reply from Mali to the questionnaire circulated on 4 February 2015 (original reply in French)

The questionnaire concerns updated information on new or recent cotton-related policy developments since January 2014, targeting all three policy pillars, i.e.:

- Market Access;
- Domestic Support; and
- Export Competition.

The questionnaire also requests information on the impact of these developments and future prospects.

At this stage, and based on a reading of the WTO Secretariat document, we can provide the following responses:

A. DEVELOPMENTS

New or updated developments since January 2014 include the following:

1.1. As regards market access:

- enhanced quality through compliance with standards and control of contaminants;
- production cost control (negotiation of best-selling prices);
- management of shipment deadlines (observance of contractual deadlines);
- improved production and productivity (market supply);
- marking of bales with cotton types;
- promotional missions in cooperation with the African Cotton Association (ACA) and the ITC;
- round tables with spinners and traders (Dakar and Geneva, February and April 2014).

1.2. As regards domestic support:

- support for local lint processing industries through performance contracts;
- facilitating access for agricultural inputs in terms of quality, quantity and timely delivery;
- strengthening of the fertilizer quality control mechanism;
- programme for the restructuring and upgrading of industrial enterprises.

1.3. As regards export competition:

- increased value-added of cotton byproducts;
- lowering of basic purchase price (market/producer income balance);
- strengthening of local processing of lint;
- afore-mentioned measures aimed at ensuring better market access.

B. IMPACT OF REFORMS

The financial impact of the reforms amounts to around [...] (Ministry of the Economy and Finance). We also highlight the following:

- the quality of Mali's lint has gained greater regional and international recognition;
- major investments have been made for the establishment of oil mills;
- all cotton seeds are crushed locally, creating value-added and jobs.

C. PROSPECTS

There are numerous prospects encompassing the whole range of cotton subsector areas of activity, governance and institutional aspects. These include, *inter alia*:

- boosting cotton industry development;
- representation of producers on the Governing Board of the CMDT;
- adoption of a new privatization scheme;
- development of a national cotton processing policy;
- reinforcement of the national cotton and cotton product quality enhancement strategy;
- emergence of modern farming operations;
- soil protection and rehabilitation;
- adaptation of production plant and equipment; and
- development of the value chain approach.

Reply from Peru to the questionnaire circulated on 4 February 2015 (original reply in Spanish)

1. Market access

a. Modification of the *ad valorem* c.i.f. tariff rates for a group of national subheadings, including cotton and its byproducts.

1. *Legal basis*

- **DS No. 312-2014-EF:** Modifies *ad valorem* c.i.f. tariff rates for a group of national subheadings and modifies the description of a national subheading.
- **DS No. 314-2014-EF:** Modifies Annex 1 of DS No. 312-2014-EF.

Table 1: Modifications concerning cotton products

Bound duty			Applied duty		
Tariff line (HS 2002)	Designation	Bound duty	Tariff line (HS 2012)	MFN Before the change	Current MFN
5202	Cotton waste (including yarn waste and garnetted stock)				
5202100000	- Yarn waste (including thread waste)	30%	5202100000	6%	0%
52029	- Other:				
5202910000	-- Garnetted stock	30%	5202910000	6%	0%
5202990000	-- Other	30%	5202990000	6%	0%

Source: Ministry of the Economy and Finance
Preparation: Ministry of Foreign Trade and Tourism

2. Domestic support

a. Cotton Financing Programme (2014-2015 season)

1. *Description of the programme:*

Funding programme consisting of the provision of repayable loans to eligible cotton producers in the coastal region for support activities (seasonal), including the purchase of inputs, machinery, labour, administrative costs and technical assistance.

2. *Objective:*

Provision of loans to finance cotton farming. The financing is intended for the purchase of inputs (seed, fertilizers and agrochemicals), machinery, labour, administrative costs and technical assistance.

3. *Beneficiaries:*

Cotton producers, through formally established cooperative organizations and/or committees which, in addition, are involved in business management and technical assistance work and participated in the 2013-2014 season.

The programme concerns only cotton producers located in the coastal region.

4. *Duration:*

The 2014-2015 season began in July 2014, and the payments ended in March 2015.

5. *Form of benefit:*

For the 2014-2015 season, AGROBANCO developed a funding programme at a preferential rate for cotton producers (Annual Effective Rate: 12%). Financing reached a maximum amount of S/4,900 per hectare³⁵, with a maximum of four hectares per producer, distributed as follows:

Category	Amount (in soles)
Inputs and services: seed, fertilizers, agrochemicals	2,300.00
Machinery and labour	2,330.00
Technical assistance	160.00
Administrative costs	50.00
Technical management	60.00
Total	4,900.00

Source: Cotton Programme – AGROBANCO
Preparation: MINCETUR

It should be pointed out that the financing programme goes hand in hand with a marketing programme which aims to bring the producer and buyer together in order to improve the price of the quintal of raw cotton in the different production areas.

3. Export competition

Peru does not provide export subsidies for agricultural products, including cotton.

The latest notification, submitted pursuant to Article 18.2 of the WTO Agreement on Agriculture and document G/AG/2 (Notification Requirements and Formats), concerns export subsidy commitments (Table ES:1) for the year 2013 and was circulated as WTO document G/AG/N/PER/13 of 19 June 2014. It notifies that Peru provided no export subsidies in respect of agricultural products in 2013.

³⁵ This amount is lower when the producer can do without a certain category either because it can fund the resources itself or because it already has them.

Reply from Russian Federation to the questionnaire circulated on 4 February 2015

1. Market Access

The Russian Federation does not produce cotton at industrial scale. Cotton processing industry fully depends on imported cotton fiber, which comes mainly from Uzbekistan, Kazakhstan, Kyrgyzstan and Tajikistan. Import and export duties on cotton fiber are fixed at zero level.

Cotton exports and imports of Russian Federation (thousand US dollars)				
	2011	2012	2013	2014
Export				
Kazakhstan	1,780.8	-	15.3	-
Moldova, Republic of	945.1	-	-	-
Republic of Belarus	-	604.1	670.6	1,946.4
Ukraine	3,077.6	-	398.2	-
<i>Total</i>	<i>5,803.5</i>	<i>604.1</i>	<i>1,084.1</i>	<i>1,946.4</i>
Import				
Afghanistan	377.4	-	-	-
Azerbaijan	2,681.8	-	-	-
Burkina Faso	915.3	-	-	-
Cameroon	361.3	-	-	-
Egypt	597.7	22.7	-	43.1
Japan	-	15.3	7.6	-
Kazakhstan	29,673.9	34,318.0	33,670.9	24,908.9
Kyrgyz Republic	29,534.5	29,052.6	14,285.6	6,806.2
Latvia	937.6	-	-	-
Republic of Uzbekistan	99,637.8	20,062.8	20,327.4	31,320.7
Tajikistan	39,963.0	26,383.8	16,551.1	13,195.3
Turkey	2,417.6	1,524.2	1,082.5	3,218.2
Turkmenistan	6,373.9	3,099.6	7,199.0	7,508.7
United States of America	856.9	-	-	-
<i>Total</i>	<i>214,307.7</i>	<i>115,036.1</i>	<i>93,124.1</i>	<i>87,001.1</i>

2. Domestic Support

In 2014 the Russian Federation budget had not provided funds for the development of the cotton industry. At the same time, regional authorities have been invited to submit proposals on the issue of domestic support for the industrial production of cotton. At present the main obstacle for production of cotton at industrial scale is the lack of cultivation practice in the Russian Federation, as well as domestic plant protection products for the cultivation of cotton and the lack of industrial capacity for primary processing of raw cotton.

3. Export Competition

According to the obligations foreseen in paragraph 1189 of the Report of the Working Party on the accession of the Russian Federation to the WTO (WT/ACC/RUS/70), the Russian Federation did not provide export subsidies to agricultural products during the calendar year 2014.

Reply from the United States of America to the questionnaire circulated on 4 February 2015

The 2014 Farm Bill substantially changes support for upland cotton. The 2014 Farm Bill eliminated a number of programs that benefited current and historical producers of upland cotton and covered commodities. The eliminated programs include direct and countercyclical payments, Average Crop Revenue Election (ACRE), and Supplemental Revenue Assistance Payments (SURE) programs. Under the 2014 Farm Bill, upland cotton producers continue to be eligible to participate in the marketing assistance loan and loan deficiency payment program, although at a potentially lower loan rate. In addition, the 2014 Farm Bill reduced the loan rate for upland cotton from \$0.52 per pound to an adjusted rate based on prevailing world prices, but no less than \$0.47 per pound or more than \$0.52 per pound. Traditional crop yield and revenue insurance policies also continue to be available for upland cotton under the new farm bill.

The Stacked Income Protection Plan (STAX) program was introduced in the 2014 Farm Bill. STAX is an additional insurance option for upland cotton producers only. Beginning with crop year 2015, upland cotton producers are eligible to purchase policies under STAX that cover a portion of the expected revenue in a producer's area, usually a single county. STAX policies can supplement other insurance coverage available through the Federal crop insurance program or be purchased as a stand-alone policy. STAX offers coverage for up to 20% of the expected area revenue and can be purchased in increments of 5, 10, 15, or 20%. Loss payments begin when area revenue falls below 90% of its expected level, unless a producer chooses a lower loss trigger, and reach their maximum when area revenue falls to 70% of expected level, or to the level covered by a producer's underlying policy.

Reply from the United States of America to the questionnaire circulated on 4 February 2015 (Addendum)³⁶

Update on US Initiative to Provide Duty-Free Access for Cotton Products for LDCs under the US GSP Program

At the December 2011 WTO Ministerial, the US committed to providing duty-free/quota-free access to upland cotton products for least-developed countries. Part of this commitment was fulfilled in June 2012 when President Obama made seven cotton products eligible for duty-free treatment for least-developed beneficiary developing countries (LDBDCs) of the US Generalized System of Preferences (GSP) program effective 1 July 2012. At that time, the five remaining HTS lines for upland cotton products were statutorily prohibited from being added to eligibility for GSP because they were for out-of-quota quantities of the subject products.

The Trade Preferences Extension Act of 2015, enacted on 29 June 2015, gave the President the legal authority to fully implement the US commitment. Specifically, the law (1) reauthorized the GSP program and (2) gave the President the authority to add the five out-of-quota cotton products to GSP for LDBDCs.

In a 6 July 2015 *Federal Register* notice, USTR announced the launch of a limited GSP review that includes consideration of adding to GSP, for LDBDCs only, the five tariff lines for out-of-quota quantities of upland cotton products. Pursuant to US regulations, the *Federal Register* notice invited public comments and testimony at a public hearing on these possible additions to the list of GSP-eligible products.³⁷ Public comments on the proposed addition of the five cotton products were due on 31 July 2015; and the USTR-chaired GSP Subcommittee of the Trade Policy Staff Committee held the public hearing on 11 August 2015.

The Trade Policy Staff Committee is expected to conclude its review in September and provide its recommendation to the US Trade Representative on whether the five cotton products should be added to GSP for LDBDCs. The President, drawing on the advice of the US Trade Representative, is expected to make a final decision on proposed product additions prior to 1 October 2015. Any changes to GSP product eligibility would be announced in a Presidential Proclamation.

The following products were added to the list of products eligible for duty-free treatment for LDBDC under the US GSP program effective 1 July 2012.

HTS Subheading	Brief Description
5201.00.22	Cotton, not carded or combed, staple length of 28.575 mm or more but under 34.925 mm, described in gen. note 15
5201.00.24	Cotton, n/carded or combed, harsh or rough, staple length 29.36875 mm or more but n/o 34.925 mm, white in color, quota described Ch 52 add US note 6
5201.00.34	Cotton, not carded or combed, staple length of 28.575 mm or more but under 34.925 mm, other, quota described in chapter 52 add'l US note 7
5202.91.00	Cotton garneted stock
5203.00.05	Cotton fibers, carded or combed, of cotton fiber processed but not spun, described in gen. note 15
5203.00.10	Cotton fibers, carded or combed, of cotton fiber processed but not spun, quota described in chapter 52 add'l US note 10
5203.00.50	Cotton carded or combed, excluding fibers of cotton processed but not spun

³⁶ The United States of America provided an additional reply after the circulation of the second revision of this background paper. This reply is included in document TN/AG/GEN/34/Rev.2/Add.1 - TN/AG/SCC/GEN/13/Rev.2/Add.1.

³⁷ Further information on this review can be found on USTR's GSP website at <https://ustr.gov/issue-areas/preference-programs/generalized-system-preferences-gsp/current-reviews/gsp-20142015>.

The following products are now being considered for addition to the list of products eligible for duty-free treatment for LDBDCs under the US GSP program.

HTS Subheading	Brief Description
5201.00.18	Cotton, not carded or combed, having a staple length under 28.575 mm (1-1/8 inches), n/harsh or rough, nesoi
5201.00.28	Cotton, not carded or combed, harsh or rough, staple length of 29.36875 mm or more but under 34.925 mm & white in color, nesoi
5201.00.38	Cotton, not carded or combed, staple length of 28.575 mm or more but under 34.925 mm, nesoi
5202.99.30	Cotton card strips made from cotton waste having staple length under 30.1625 mm & lap, sliver & roving waste, nesoi
5203.00.30	Cotton fibers, carded or combed, of cotton fiber processed, but not spun, nesoi

ANNEX 5

INFORMATION ON COTTON MARKETS AND POLICIES FROM THE TRADE POLICY REVIEW MECHANISM³⁸

1.1. At the second dedicated discussion of the relevant trade-related developments for cotton, Members agreed that, in order to complement the revised background paper to be prepared by the WTO Secretariat, the Secretariat would compile information related to cotton markets and policies contained in the most recent Trade Policy Review (TPR) reports.³⁹

1.2. The Secretariat searched the most recent TPR reports available by Governments and by the WTO Secretariat for the 32 Members identified in paragraphs 8 to 10 of this paper. Information that met the following two criteria has been included in this Annex: (1) information relevant to cotton markets and policies; and (2) information not presented elsewhere in this background paper.

1.3. No relevant information was found for the following thirteen Members:⁴⁰ Bahrain, Kingdom of (April 2014); Canada (June 2015); Hong Kong, China (November 2014); Iceland (November 2012); Japan (March 2015); Kenya (November 2012)⁴¹; Korea, Republic of (September 2012); Malaysia (March 2014); New Zealand (July 2015); Russian Federation⁴²; Norway (October 2012); Switzerland (September 2013) and Chinese Taipei (September 2014).⁴³

1.4. For the remaining 19 Members, the relevant information found is presented below by Member. The date of the most recent TPR report available, as well as the type of report and the document symbol for the report, are indicated next to each Member. Except for Bangladesh, no relevant information was found in the most recent Government reports available for these 19 Members.

1.5. Information is listed along with the headings of the chapters from which it is extracted, and "..." represents information left out from a table, a paragraph or a chapter.

1.6. Information not directly linked to cotton markets and policies but which provides context for understanding the above-mentioned information may have also been included based on the Secretariat's own judgement and is without prejudice to information excluded from this Annex.

³⁸ The purpose of the Trade Policy Review Mechanism ("TPRM") is to contribute to improved adherence by all Members to rules, disciplines and commitments made under the Multilateral Trade Agreements and, where applicable, the Plurilateral Trade Agreements, and hence to the smoother functioning of the multilateral trading system, by achieving greater transparency in, and understanding of, the trade policies and practices of Members. Accordingly, the review mechanism enables the regular collective appreciation and evaluation of the full range of individual Members' trade policies and practices and their impact on the functioning of the multilateral trading system. It is not, however, intended to serve as a basis for the enforcement of specific obligations under the Agreements or for dispute settlement procedures, or to impose new policy commitments on Members (Annex 3 (A)(i) of the Marrakesh Agreement).

³⁹ Paragraph 13 of the person report of the second dedicated discussion of the relevant trade-related developments for cotton (TN/AG/29 and TN/AG/SCC/3).

⁴⁰ The date in brackets is that of the most recent TPR report available.

⁴¹ Joint Trade Policy Review of the East African Community (EAC).

⁴² The first TPR of the Russian Federation is scheduled for 2016.

⁴³ The Secretariat report for the 2014 TPR (WT/TPR/S/302) is being revised therefore the report from the previous TPR (July 2010) was used and no relevant information was found.

AUSTRALIA (MARCH 2015) - SECRETARIAT REPORT (WT/TPR/S/312)
"4. TRADE POLICIES BY SECTOR
4.2 Agriculture, Livestock, and Fisheries
4.2.2 Main policy developments
4.2.2.2 Domestic support measures

Under its Carbon Farming Futures Program (2011-2017), Australia has implemented a Filling the Research Gap, Action on the Ground, Extension and Outreach Program, and related offset incentives.⁴⁴

APPENDIX TABLES
Table A1. 1 Merchandise exports, by product groups, 2010-13

	2010	2011	2012	2013
Total exports (US\$ billion)	212.5	270.1	256.6	253.7
Total exports (\$A billion)	231.1	261.7	247.8	262.0
	(% of total)			
Total primary products	77.3	79.8	79.0	80.4
Agriculture	13.9	14.3	15.5	15.8
...
Agricultural raw material	2.5	3.0	3.0	3.0
2631 Cotton (other than linters), not carded or combed	0.5	1.0	1.1	1.0
...

Source: WTO Secretariat calculations, based on data provided by the Australian authorities in SITC four-digit classification.

⁴⁴ ... Under the Action on the Ground funding programme, farmers and land managers undertake on-farm trials of abatement technologies, practices and management strategies to measure and demonstrate how they can reduce agricultural greenhouse gas emissions of methane and nitrous oxide or increase the sequestration of carbon in soil while maintaining or improving farm productivity. By March 2014, 89 multi-year grants worth up to \$A 44.29 million had received funding; these projects were trialling a diverse range of on-farm practices and management strategies, on more than 530 properties across the country. By April 2013, 24 projects valued at \$A 21.3 million were funded under the Extension and Outreach program supporting sector-specific projects, including the livestock, dairy, horticulture, cotton and grains industries (Department of Agriculture online information. Viewed at: <http://www.daff.gov.au/about/current-grants>; and Productivity Commission, 2013d).

BANGLADESH (OCTOBER 2012) - GOVERNMENT REPORT (WT/TPR/G/270)**"II. RECENT ECONOMIC PERFORMANCE****Table 6. - Composition of Bangladesh's import**

Commodity	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
Total import (c.i.f.)	14,746	17,157	21,629	22,507	23,738	33,657
<i>Of which:</i>						
...
16. Raw cotton	5.0%	5.0%	5.6%	5.7%	6.1%	8.0%
...

Source: Bangladesh Economic Review, 2012

III. TRADE POLICY DEVELOPMENT

Since 2011 the Government has imposed export tax on bricks, tobacco and cotton waste in order to discourage production of tobacco and bricks on health and environmental reasons and discourage export of cotton waste to safeguard interests of growing local industry."

Secretariat Report (WT/TPR/S/270/Rev.1)**"III. TRADE POLICIES AND PRACTICES BY MEASURE**

(1) Measures Directly Affecting Imports

(iv) Tariffs and other charges**Table III.2 - Tariff structure, 2005/06 and 2011/12**

	MFN applied		SAFTA
	2005/06	2011/12	2011/12
...
Memo:			
WTO agriculture	18.0	17.8	13.1
...
Cotton	4.0	3.3	1.9
...

Source: WTO Secretariat calculations, based on data received by the Bangladeshi authorities.

(2) Measures Directly Affecting Exports

(ii) Export taxes, charges, and levies

In 2010/11, export duties were applied to tobacco and tobacco products (10%), cotton waste (25%), and ceramic building bricks (25%) in order to discourage production of these products. According to the authorities, brick production is not environmentally friendly and tobacco production occupies land needed for essential crops. Duty on the export of cotton waste is intended to encourage the use of cotton waste in Bangladesh.

IV. TRADE POLICIES BY SECTOR

(2) Agriculture

(b) Food security**Table IV.4 - Developments in domestic support to agriculture, 2002-07**

(US\$ million)

	2002/03	2004/05	2006/07
Total domestic support (I + II + III)			
...
II. Measures exempt from the reduction commitment - "Green Box"			
General services	52.4	95.5	75.1
(i) Research and development of non-rice crops, (fruit, vegetables, spices) except sugar cane, jute, cotton, and tea	9.32	10.9	23.6
...
(iv) Research and development of cotton	0.35	0.36	0.2
...

Source: Notification from Bangladesh, G/AG/N/BGD/3, 4 May 2011 covering FY2002/03, 2004/05 and 2006/07.

BRAZIL (JUNE 2013) - SECRETARIAT REPORT (WT/TPR/S/283/REV.1)

"3 TRADE POLICIES AND PRACTICES BY MEASURE

3.2 Measures Directly Affecting Imports

3.2.3 Tariffs

3.2.3.3 Preferences

Table 3.4 Summary analysis of tariffs according to preferential agreements, 2012

	No. of lines	MFN	GUY	CHI	BOL	Mexico		PER	COL	ECU	VEN	CUB	IND	ISR
Total	10,031	11.7	11.6	7.1	6.9	11.4	11.5	6.8	7.6	6.9	7.3	9.6	11.6	8.1
HS 01-24	1,252	10.3	10.0	6.3	6.1	9.8	10.3	6.2	6.4	6.4	6.3	8.6	10.3	7.0
HS 25-97	8,779	11.9	11.9	7.2	7.0	11.6	11.7	6.9	7.8	7.0	7.4	9.7	11.8	8.3
By WTO category														
WTO Agriculture	1,030	10.2	9.8	5.3	5.2	9.6	10.2	5.2	5.4	5.4	5.3	8.4	10.1	6.0
...
- Cotton	7	7.4	7.4	4.3	3.7	7.4	7.4	3.7	3.7	3.7	3.7	7.4	7.4	2.4
...

Source: WTO Secretariat estimates, based on data provided by the Brazilian authorities.

4 TRADE POLICIES BY SECTOR

4.2 Agriculture, Forestry, and Fisheries

4.2.3 Domestic support measures

4.2.3.3 Minimum price guarantees

Brazil operates several programmes based on minimum price guarantees, which support the production of a wide range of commodities, including corn, rice, cotton, and wheat. According to OECD estimates, price support schemes accounted for more than half of transfers granted to farmers during 2008-10. Their overall effect, however, appears to be modest, as annual budgets are limited and partly targeted at less developed regions and low-income farmers.⁴⁵

Table 4.5 Price support programmes, 2012

Price Support Programme/Description	Use/Cost
...	
Premium for Product Outflow (PEP)	
The CONAB grants an equalization premium to wholesalers who agree to pay farmers a reference price. The premium is determined in public auctions and generally reflects the difference between the reference price and the market price. In addition to guaranteeing minimum prices for producers, the PEP is used to shift the supply of agricultural products across regions, so as to avoid shortages and prevent the accumulation of stocks. In theory, all products included in the PGPM can participate in the PEP; however, the programme has been used for only a few products so far, mainly cotton, corn, wheat, sisal, beans, rice, and wine.	Premiums paid under PEP totalled was R\$279.5 million in 2011, of which R\$190.6 million for rice, R\$58.3 million for wheat, and R\$30.6 million for sisal.
...	...

Source: Law No. 11,775 of 17 September 2008; CONAB online information. Viewed at: <http://www.conab.gov.br/conteudos.php?a=1255&t=>; and CONAB (2012), *Relatório De Gestão 2011*. Viewed at: <http://www.conab.gov.br/conteudos.php?a=23&t=1>.

⁴⁵ OECD (2011).

4.2.3.4 Measures to promote family farming

Table 4.6 Budget allocated to family farming programmes and measures, harvest year 2012/13

Programme	Description	Budget
...
Price Guarantee Programme for Family Farming (PGPAF)	An indexation of the credit taken out by family farmers under the PRONAF, through which the price is fixed when the credit is granted. Upon repayment of the PRONAF's credit, if the price of the product financed has decreased, the farmer benefits from a discount from the amount due, equivalent to the difference between the product's market price and the price set in the programme's index. The limit for the PGPAF bonus per farmer is R\$7,000 each year. The programme covers 49 products, including corn, cotton, rice, milk, and oranges.	R\$90 million
...

Source: MDS online information. Viewed at: <http://www.mds.gov.br/segurancaalimentar/fomento-a-producao-e-a-estruturacao-productiva-1/fomento-as-atividades-productivas-rurais>; CAIXA online information. Viewed at: <http://www.caixa.gov.br/voce/Social/Transferencia/fomento/index.asp>; MDA online information. Viewed at: <http://comunidades.mda.gov.br/portal/saf/programas/>, and MDA (2010), *Plano Safra da Agricultura Familiar 2010-2011*. Viewed at: http://www.agricultura.pr.gov.br/arquivos/File/deral/psafra_ag_familiar_2010_11.pdf.

APPENDIX TABLES

Table A1.2 Merchandise exports by groups of products, 2007-12

(US\$ million and %)

Description	2007	2008	2009	2010	2011	2012
Total	160,649	197,942	152,995	197,356	256,039	242,580
	(% of total exports)					
Total primary products	50.1	53.3	59.0	63.2	64.2	62.7
Agriculture	30.1	31.0	37.7	34.8	33.8	35.6
Food	26.2	27.4	33.9	30.8	30.2	31.8
...
Agricultural raw material	3.8	3.6	3.8	4.0	3.5	3.8
...
2631 Cotton (other than linters), not carded or combed	0.3	0.4	0.4	0.4	0.6	0.9
...

Source: UNSD, Comtrade database (SITC Rev.3).

CHINA (JULY 2014) - SECRETARIAT REPORT (WT/TPR/S/300/REV.1)
3 TRADE POLICIES AND PRACTICES BY MEASURE**3.2 Measures Directly Affecting Exports****3.2.3 Export prohibitions, restrictions, and licensing****Table 3.10 Products subject to export quotas and licensing, 2013**

Products	Type of licence	Comment
Goods subject to quota and licensing		
Rice, maize, wheat, cotton, coal.	Export quota licensing	The quota is allocated by NDRC.
...

Source: Information provided by the Chinese authorities.

3.3 Measures Affecting Production and Trade**3.3.2 Competition policy and price controls****3.3.2.6 Price controls**

Government prices are applied to items subject to state monopoly, such as tobacco and salt, and to public-interest items, such as educational material.⁴⁶ Government-guided prices are applied to refined oil, fertilizers, and natural gas. Products classified as the State's key reserve materials (grain, cotton, sugar, silkworm cocoons, crude oil, processed oil, and chemical fertilizers), are included in the Government Pricing Catalogue released in 2001 and, according to the Catalogue, could be subject to government prices (Table 3.14). ...

3.3.3 State trading, state-owned enterprises, and privatization

Under the Foreign Trade Law (2004), the State may subject certain goods to state trading. The reasons for maintaining state trading for certain products in China seem to have remained unchanged since the last Review; these include: ensuring stable supply and prices of the products concerned; safeguarding China's food security; and protecting exhaustible and non-recyclable natural resources and the environment. Imports subject to state trading continue to comprise: grain (including wheat, maize, and rice), sugar, cotton, chemical fertilizers, tobacco, crude oil, and processed oil (Table 3.16).⁴⁷

It appears that the functioning of the state-trading system has not changed substantially since the last Review in 2012. In principle, goods subject to state trading can be imported (and exported) only by authorized enterprises.⁴⁸ However, products subject to tariff-rate quotas (grain, cotton, sugar, and certain chemical fertilizers) may also be imported by non-state-trading enterprises, as may imports of crude oil. Tobacco is the only state-traded product which can be traded solely by authorized enterprises. The non-state-trading portion of these goods is allocated either by the NDRC, in the case of grains and cotton, or by MOFCOM for the other products. The NDRC and MOFCOM issue on a yearly basis the criteria for an enterprise to acquire trading rights for these products, the volumes they can import and the allocation method. The quantities imported under state trading are not available.⁴⁹

⁴⁶ NDRC online information. Viewed at: http://www.sdpc.gov.cn/zfdj/djfw/t20050707_130525.htm (in Chinese only), 20 August 2013.

⁴⁷ Imports subject to state trading do not seem to have changed since 2003 when China provided its last notification regarding state trading (WTO document G/STR/N/9/CHN/Add.1, 14 July 2003).

⁴⁸ Article 11 of the Foreign Trade Law.

⁴⁹ Information provided by the authorities of China.

Table 3.16 Imports under state trading, 2011-13

Product	HS code	Percentage of TRQ allocated to state-trading enterprises in		
		2011	2012	2013
...
Cotton	52010000; 52030000	33	33	33
...

Source: National Development and Reform Commission (NDRC) Announcement No. 35 of 2012 [Grains and cotton]. Viewed at: http://www.ndrc.gov.cn/zcfb/zcfbqg/2012qg/t20121008_508641.htm (in Chinese only); MOFCOM Announcement No. 59 of 2012 on Detailed Rules for Applying and Distributing Import Tariff Quota of Sugar for 2013. Viewed at: <http://english.mofcom.gov.cn/aarticle/policyrelease/buwei/201209/20120908366253.html>; MOFCOM Announcement No. 61, 2012 on Total Import Amount, Distribution Rules and Relevant Procedures for Tariff Quotas of Chemical Fertilizer for 2013. Viewed at: <http://english.mofcom.gov.cn/article/policyrelease/buwei/201210/20121008384037.shtml>; and MOFCOM online information [Fertilizer]. Viewed at: http://www.mofcom.gov.cn/aarticle/b/e/201210/2012100837_6628.html (in Chinese only).

The export products subject to state trading and the enterprises in charge of trading these products have not changed substantially since the last Review. In 2013, exports subject to state trading were rice, maize, cotton, coal, crude oil, tungsten ore and products, antimony ore and products, silver and tobacco (Table 3.17). The volume of export subject to state trading is determined taking into account international and domestic supply and demand. The state-trading enterprises themselves determine the price of the goods that they export.⁵⁰ According to the authorities, exports are allocated amongst state-trading enterprises based on market principles.

Table 3.17 Export products subject to state-trading arrangements, 2011-13

Product (HS code)	Enterprises
...	...
Cotton 52010000; 52030000	Chinatex Cotton Import & Export Corporation; Xinjiang Uygur Autonomous Region Cotton and Jute Import & Export Co.; Xinjiang NongKen (Group) Import & Export Co. Ltd.; China National Cotton Reserve Corporation.

Source: Information provided by the Chinese authorities and WTO document WT/ACC/CHN/49, 1 October 2001.

4 TRADE POLICIES BY SECTOR

4.1 Agriculture

4.1.3 Policy instruments

4.1.3.1 Border measures

...

Tariff rate quotas (TRQs) apply to 47 tariff lines included in HS Chapters 10 (wheat and meslin, maize, rice), 11 (cereal flours other than of wheat or meslin, cereal groats), 17 (cane or beet sugar), 31 (mineral or chemical fertilizers), 51 (wool, carded or combed), and 52 (cotton). In-quota rates have not changed since 2011 and the out-of-quota rates are in most cases equal to the bound rates. All in-quota rates are *ad valorem*, with the exception of the out-of-quota rate that applies to a "certain portion" of imports of cotton. Out-of-quota imports of cotton may be subject to a sliding duty based on a formula, which depends upon the price of cotton, but cannot exceed 40% (i.e. the bound rate for cotton). Under this system, China fixes a threshold price (RMB 14/kg in 2012 and 2013). If the price of imports is equal to or higher than the threshold price a specific

⁵⁰ WTO document G/STR/N/9/CHN/Add.1, 14 July 2003.

duty of RMB 0.57/kg is levied on imports; if the actual import price is lower than the threshold price an *ad valorem* rate based on the formula will be applied.⁵¹

According to the authorities, the tariff quota allocation process has not changed since 2012. The NDRC allocates TRQs for grains and cotton, and MOFCOM allocates the rest. Some products subject to TRQs (i.e. grain, cotton, sugar, and chemical fertilizers) are also subject to state trading. In these cases, part of the quota is allocated to state-trading enterprises and another part to private enterprises. The most recent information available for tariff quota utilization dates from 2011 when with the exception of sugar, wool and cotton, the utilization of the other TRQs was low. Historically, the fill rate of TRQs has been low (Table 4.3).

...

4.1.3.1.2 Measures affecting exports

...

Agricultural exports subject to state trading are cotton, rice, maize, wheat and tobacco.⁵² These products are still subject to export quotas and cannot be traded by private companies. Export quotas on these products are determined according to domestic supply and demand, they are managed by the NDRC and are allocated to state-trading enterprises according to performance.

...

... The agricultural products subject to export quota licences are wheat, corn, rice, wheat flour, corn flour and cotton.⁵³

Table 4.4 Agricultural products subject to export quotas and licensing in 2013

Products	Type of licence	Comment
Goods subject to quota and licensing		
Rice, maize, wheat and cotton	Export quota licensing	The quota is allocated by NDRC
...

4.1.3.2 Internal measures

4.1.3.2.1 Support measures

...

The New Variety Extension Payment scheme, which was introduced in 2002 to improve the quality of seeds and livestock, has been extended from its original coverage of wheat, rice, maize, and soya beans, to include: rapeseed and cotton in 2007; potatoes in 2009; and highland barley in 2010 and, on a trial basis, peanuts. Livestock covered by the scheme include pigs, dairy cows, beef cattle, sheep and yak. In addition to increasing the product coverage, the scheme has been extended to cover larger areas, with all land sown with rice covered from 2008, and all land sown with wheat, maize, and cotton covered from 2009, and substantial expansion of the eligible area for soya beans in 2008 and 2009. As a result, the cost of this programme tripled from RMB 6.7 billion in 2007 to RMB 20.4 billion in 2010 and then stabilized at RMB 22.0 billion in both 2011 and 2012. Initially, funds were distributed to designated seed companies which sold seeds at discounted prices. This system proved inefficient, and so the mechanism to implement the programme was changed in 2009; at present it varies according to commodity. For improved hybrid seeds of rice, maize and rapeseed, the Government gives cash directly to farmers on the basis of the cultivated area, and for improved seeds of wheat, soya beans and cotton, the provinces decide if the subsidy is granted as a direct payment or through a reduction in the price of seeds. In 2011 and 2012, the unit seed subsidy remained unchanged at RMB 10 per mu (i.e. 0.06 ha) for wheat, soya beans, maize, early indica rice, rapeseed,

⁵¹ The variable rate is calculated according to a formula, which remains unclear to the Secretariat. The formula may be viewed at: Ministry of Finance (2013), Customs Tariff of Import and Export of the People's Republic of China 2013 (The Legal Texts), Beijing, p. 518.

⁵² Exports of tea were subject to state trading until 2005.

⁵³ Ministry of Commerce, Announcement No. 96 of 2013. Viewed at: <http://www.mofcom.gov.cn/article/b/c/201312/20131200446709.shtml>.

potatoes and highland barley; and at RMB 15 per mu (i.e. 0.06 ha) for cotton, middle indica rice, late indica rice and Japonica rice.⁵⁴

...

4.1.3.2.2 Price controls and marketing

The price of some commodities remains controlled and others are still considered "important reserve materials" and originally subject to price controls. The agricultural products considered key reserve materials are grain, cotton, edible vegetable oil (materials), sugar, silkworm cocoons, and chemical fertilizers. However, according to the authorities, their price has been liberalized and the Catalogue of Reserve Materials is being revised.

...

4.1.3.2.2.1 Other measures

...

The Agricultural Development Bank of China (ADBC), established as a policy bank to support the agricultural sector and related industries, has played a key role in this effort to expand financial services to the rural areas. As a result, instruments used by the ADBC to provide funds and the range of projects financed by the ADBC have expanded. For instance, at present the ADBC grants credit to finance the whole agro-industrial chain including harvesting, storage, processing and distribution of grain, cotton and oil, as well as for the construction of agricultural and rural infrastructure focusing on irrigation projects and new rural areas. ...

...

APPENDIX TABLES

Table A2. 1 Special Administrative Measures (Negative List) on Foreign Investment Access to the China (Shanghai) Pilot Free Trade Zone (2013)

Category/ Sub-category	Specific regulations
Agriculture, forestry, husbandry and fisheries	
Agriculture	<ol style="list-style-type: none"> 1. Planting/breeding for traditional Chinese medicine (equity or cooperative joint ventures only) 2. Breeding of new crops, seeds production (restricted, equity controlled by Chinese party⁵) 3. Crops seeds enterprises (equity or cooperative joint ventures only; minimum registered capital of US\$2 million for investing in seeds of grain, cotton and oil crops, with Chinese participation over 50%; minimum registered capital of US\$0.5 million for investing in other seeds) 4. Cotton (seed cotton) processing (restricted)
...	...
Construction	
Wholesale of agricultural, forestry and husbandry products	Purchase of grain, wholesale and distribution of grain and cotton (restricted)
Wholesale and retail	
...	...
General retail	Retail and distribution of cotton, crude oil, pesticide, agricultural film and chemical fertilizer (restricted); chain stores with more than 30 branches and selling goods of different kinds and brands from multiple vendors (equity controlled by Chinese party)
...	...

Source: China (Shanghai) Pilot Free Zone online information. [Viewed at: http://www.en.shftz.gov.cn/Special.html](http://www.en.shftz.gov.cn/Special.html).

⁵⁴ OECD (2013), Agricultural Policy Monitoring and Evaluation 2013, Paris.

COLOMBIA (JUNE 2012) - SECRETARIAT REPORT (WT/TPR/S/265/REV.2)**"III. TRADE POLICIES BY MEASURE**

(2) Measures Affecting Imports

(v) Other charges on imports

(a) Value added tax (VAT)

Table III.8 - Other VAT rates

HS Code	Description	Rate	
		Imports	National production
..
5201	Cotton fibre	10%	10%
...

Source: Tax Statute, Articles 468-1, 471, 473 and 475.

(4) Measures Affecting Production and Trade

(iv) Incentives

(d) Other support schemes

Given the importance of the agricultural sector in Colombia, in addition to the credit programmes implemented by FINAGRO and the backing provided by the FAG, there are other programmes for supporting the sector in general, as well as specific programmes. Under the Agricultural Debt Relief Programme, small and medium-sized producers are offered assistance, for up to two years, with their interest payments, and the debt can also be restructured.⁵⁵ The aid is granted by MADR and provided by FINAGRO for each debt to be restructured, through the financial intermediary with which the producer contracted the debt. Likewise, to protect the income of producers in the export sector from exchange rate fluctuations, the Government offers assistance with foreign exchange hedging that covers between 60 and 80% of the cost of the premium. To protect crops against adverse weather conditions, the Government provides support for agricultural insurance that covers between 30 and 60% of the value of the policy. At present, only one insurer offers this type of product.

Among the specific programmes two stand out, namely, those for cotton and rice. The aim of the cotton price compensation programme or Guaranteed Minimum Price for Cotton (PMG) is to protect the incomes of domestic farmers from international price fluctuations by making up the difference between the market price (New York Stock Exchange) and a guaranteed minimum price per tonne of fibre. The PMG of the Interinstitutional Committee for Cotton Crop Competitiveness (CICA) is established by taking into account the production costs per hectare for the previous five years and updating them using the producer price index. The MADR announces the PMG before planting begins, and this support is paid during the marketing period. The support granted through the PMG increased from US\$18,091,000 in 2006 to US\$25,592,000 in 2010.⁵⁶ To prevent the fall in producer prices due to the surpluses that normally occur in the second half of each year, the Government offers an incentive to store rice.

...

IV. TRADE POLICIES BY SECTOR

(2) Agriculture

(ii) Domestic support and subsidies

....

⁵⁵ At present, for small producers in the first year the support corresponds to 100% of the interest payment and in the second year to 60%. For medium-sized producers the support corresponds to 100% of the interest payment in the first year and 40% in the second (information provided by the authorities).

⁵⁶ Information provided by the authorities.

Colombia makes use of price stabilization mechanisms in order to deal with fluctuations in world prices for certain agricultural products. The Price Stabilization Funds (FEPs), created by Law No. 101 of 1993, are intended to guarantee producers' incomes, regulate domestic production, and prevent price speculation, in addition to promoting agricultural exports. Currently, there are FEPs for five products: cotton; sugar; cocoa; meat, milk and their by-products; and palm kernel oil.⁵⁷ The Funds operate by estimating a price for each product based, *inter alia*, on international prices in the relevant markets. Depending on the estimated price, producers or exporters make "transfers" to the Fund or are compensated by the Fund, according to the price difference. The Funds act as a savings and insurance scheme.

...

In addition to the foregoing, there are three specific price stabilization programmes: support for cotton, rice and milk. The equalization programme for cotton prices, or the minimum guaranteed price for cotton, is a policy introduced in 2001 and implemented during the period 2003/2004 to protect Colombian farmers' incomes from fluctuations in international prices by offering compensation for the price differential between market prices (New York Exchange) and a minimum guaranteed price per tonne of lint. ...

...

The Ministry of Agriculture and Rural Development (MADR) also implements other support programmes to enable the agricultural and fisheries sector to contend with climate problems or to renew plantations, *inter alia*, so as to encourage investment in higher value crops and exports, as well as other programmes specifically for small and medium-sized producers (Table IV.3).

The Agriculture, Secure Income (AIS) Programme was implemented by MADR until 2010, when it was replaced by the Rural Development with Equity Programme (DRE). Its objective was to make the national agricultural sector more competitive, protect the incomes of producers affected by the distortions caused by foreign markets, and lessen rural inequalities. The Programme made use of a number of tools such as the Special Line of Credit (LEC)⁵⁸, the Rural Capitalization Incentive (ICR), the Technical Assistance Incentive (IAT) and the Public Irrigation and Drainage Assembly.

...

The LEC can be used to finance the sowing of crops with a short life cycle, for example: rice, white and yellow maize, sorghum, barley, oats, beans, vetch, vegetables, fruit (except those benefiting from the ICR), soya beans, plantains, yucca, potatoes, sesame, cotton, tobacco, groundnuts and achira. These lines of credit are at subsidized rates of interest: the subsidy given by the Fund for Financing the Agricultural Sector (FINAGRO) varies depending on the producer's volume and ranges from 5 to 7.5%.⁵⁹ FINAGRO states that at present there are no resources for this line.

...

⁵⁷ The FEP for cotton, which is managed by the Colombian Cotton Confederation (CONALGODON); the FEP for centrifugal sugars, molasses obtained by extracting or refining sugar, and sugar syrups, managed by the Colombian Sugar Cane Growers' Association (ASOCAÑA); the FEP for cocoa, managed by the National Federation of Cocoa Growers (FEDECACAO); the FEP for promoting the export of meat, milk and their by-products, managed by the Colombian Cattle Breeders' Federation (FEDEGAN); and the FEP for palm kernel oil, palm oil and fractions thereof, managed by the National Federation of Palm Oil Producers (FEDEPALMA).

⁵⁸ The terms for the LEC in the AIS include a subsidized interest rate (Fixed Term Deposit (DTF) rate – 2 percentage points), and a term of up to 15 years, including grace periods of up to three years. The DTF rate represents the average interest rate on 90-day deposit certificates owned by Colombian banks. The term and the grace period are determined by the income and expenditure flows in the production activity that is the subject of the investment financed.

⁵⁹ Small-scale individual producers: DTF rate + 1%; small associate producer: DTF rate; medium-sized individual producer: DTF rate + 2%; medium-sized associate producer: DTF rate + 1%; medium-sized or large producer incorporating small producers: DTF rate + 1%. The DTF rate represents the average interest rate on 90-day deposit certificates owned by Colombian banks. See FINAGRO (2012), Chapter V: *Líneas especiales de crédito*.

APPENDIX TABLES

I. ECONOMIC ENVIRONMENT

AI.2 Merchandise imports (c.i.f.) by product, 2005-2011

Table AI.2 Merchandise imports (c.i.f.) by product, 2005-2011

(US\$ million and %)

Description	2005	2006	2007	2008	2009	2010	2011
Total (US\$ million)	21,204	26,162	32,897	39,669	32,898	40,683	54,675
	(% of imports)						
Total primary products	15.6	16.3	16.5	18.6	17.0	18.2	19.3
Agriculture	10.4	10.3	10.5	11.5	11.5	11.0	10.5
...
Agricultural raw materials	1.6	1.6	1.4	1.3	1.2	1.4	1.2
2631 Cotton (other than linters), not carded or combed	0.2	0.3	0.2	0.2	0.2	0.3	0.3
...

Source: WTO Secretariat estimates based on data from the Comtrade database (SITC Rev.3) and the authorities.

EGYPT (JULY 2005) - SECRETARIAT REPORT (WT/TPR/S/150/REV.1)

III. TRADE POLICIES AND PRACTICES BY MEASURE

(3) MEASURES DIRECTLY AFFECTING EXPORTS

(vii) Export promotion and marketing assistance

...

In October 2002, Egypt mandated a LE 200 million subsidy programme to encourage the use of local cotton by textiles mills and to compensate farmers for low world market prices. The programme ended in 2003 and has not been reinstated.

...

(4) MEASURES AFFECTING PRODUCTION AND TRADE

(i) Incentives

(ii) Competition policy and price controls

(iii) Government procurement

(iv) State-owned enterprises and privatization

State-owned enterprises play an important role in the import of petroleum products and some agricultural commodities, and cotton exports. ... Cotton and cotton products, such as yarn, fabrics, and garments, are largely exported by public companies.

...

IV. TRADE POLICIES BY SECTOR

(2) AGRICULTURE

(i) Main features

...

... In terms of employment and export value, cotton is the most important crop in Egypt. It is estimated that cotton production employs up to one million farm workers.

Table IV.3 - Agricultural output, 1997-03

(Thousand tonnes)

	1997	1998	1999	2000	2001	2002	2003
...
Cotton lint	342	230	233	225	330	285	280
...

Source: FAO statistical database.

APPENDIX TABLES

Table AI.1 - Structure of exports, 1995-03

(US\$ million and %)

	1995	2000	2001	2002	2003
Total (US\$ million)	3,444.1	4,713.0	4,164.9	4,691.6	6,159.2
	(%)				
Total primary products	59.7	58.8	60.3	55.1	61.5
Agriculture	16.0	13.0	15.2	17.0	15.3
...
2631 Cotton (other than linters), not carded or combed	4.4	4.1	4.5	7.1	5.9
...

Source: WTO Secretariat estimates, based on UNSD, Comtrade database SITC Rev.3 data.

EUROPEAN UNION (JULY 2015) - SECRETARIAT REPORT (WT/TPR/S/317/REV.1)
4 TRADE POLICIES BY SECTOR**4.2 Agriculture****4.2.3 Agricultural policies****4.2.3.1 Domestic support****4.2.3.1.1 Direct payments**

... Direct payments linked to production applied only to suckler cows, sheep and goats, and (for four member States) cotton. Member States had some flexibility to direct some of the money available under direct payments to specific objectives and, for those member States that applied the SAPS, to provide complementary national direct payments (Table).

Table 4.4 Direct payments to agricultural producers in the EU, 2007/08-2011/12

(EUR million)

	2007/08	2008/09	2009/10	2010/11	2011/12
Decoupled payments					
...
Other direct aids					
...
Cotton	248	217	222	247	246
...

Source: WTO notifications.

...

Coupled payments

Under CAP Reform 2014-2020, crop-specific payments for cotton remain as set out in Table.

Table 4.6 Crop-specific payments for cotton

	Area ha	Fixed yield tonne/ha	Payment EUR/ha
Bulgaria	3,342	1.2	2015: 584.88 2016 and onward: 649.45
Greece	250,000	3.2	234.18
Spain	48,000	3.5	362.15
Portugal	360	2.2	228.00

Source: Regulation (EU) No. 1307/2013, Article 58.

...

INDIA (JUNE 2015) - SECRETARIAT REPORT (WT/TPR/S/313)

2 TRADE AND INVESTMENT REGIME

2.2 Trade Policy Formulation and Objectives

2.2.2 Trade policy goals

...

... During the period 3 July 2009 and 31 March 2013 export restrictions were placed on wheat flour and exports of cotton were subject to prior registration of contracts with DGFT. ...

...

3 TRADE POLICIES AND PRACTICES BY MEASURE

3.1 Measures Directly Affecting Imports

3.1.5 Other charges affecting imports

Table 3.5 Summary analysis of India's import charges, 2014-15

	No. of lines	Effective applied rates (MFN)		Total duty rate, incl. extra charges ^a	
		Average (%)	Range (%)	Average (%)	Range (%)
Total	11,481	13.0	0-150	28.3	0-537.5
HS 01-24	1,609	37.7	0-150	46.2	0-537.5
HS 25-97	9,872	9.0	0-100	25.3	0-186.1
<i>By WTO definition</i>					
Agricultural products	1,496	36.4	0-150	46.1	0-537.5
...
Cotton	11	2.7	0-30	3.3	0-36.1
...

Note: Calculations exclude specific rates and include the *ad valorem* part of alternate rates.

Source: WTO calculations, based on data provided by the Indian authorities; and Big's Easy Reference Customs Tariff, 2014 (35th edition).

3.1.9 Import prohibitions, restrictions, and licensing

3.1.9.3 Import surveillance

India does not maintain any mechanism to monitor imports of items that are considered to be sensitive; such a mechanism was discontinued by April 2012.⁶⁰

3.2 Measures Directly Affecting Exports

3.2.4 Export prohibitions, restrictions, and licensing

3.2.4.2 Export licensing and quotas

...

On 8 December 2014, the previous requirement that exports of cotton and cotton yarn required an export authorization registration certificate (EARCs) issued by the DGFT was abolished.⁶¹

...

⁶⁰ At the end of March 2012, there were 415 sensitive items (based on HS eight-digit classifications). These included milk and milk products, fruits and vegetables, pulses, poultry, tea and coffee, spices, food grains, edible oils, cotton and silk, marble and granite, automobiles, parts and accessories of motor vehicles, products produced by small-scale industries, and other products (bamboos, cocoa, copra, and sugar).

⁶¹ DGFT Notifications Nos. 102 and 103, 8 December 2014.

4 TRADE POLICIES BY SECTOR**4.1 Agriculture****4.1.1 General policy framework****4.1.1.3 Internal measures****Table 4.3 Minimum support prices, 2010-15**

(Rs per quintal)

Minimum support prices (MSPs)	2010-11	2014-15
...
Cotton (medium staple)	2,500	3,750
...

Source: Directorate of Economics and Statistics online information. Viewed at: [http://eands.dacnet.nic.in/msp/MSPStatement\(2014.29.10\).pdf](http://eands.dacnet.nic.in/msp/MSPStatement(2014.29.10).pdf); and information provided by the Indian authorities.

INDONESIA (APRIL 2013) - SECRETARIAT REPORT (WT/TPR/S/278/REV.1)

3 TRADE POLICIES AND PRACTICES BY MEASURE**3.1 Measures directly affecting imports****3.1.6 Contingency measures****3.1.6.2 Safeguard measures****Table 3.10 Safeguard activity, 2007-12**

Product	Investigation initiation	Investigation outcome
...
Cotton yarn (other than sewing thread)	25.06.2010	Imposition on 06.06.2011 of safeguard measures for three years: Rp 40,687 per kg (06.06.2011 to 05.06.2012); Rp 38,144 per kg (06.06.2012 to 05.06.2013); and Rp 35,601 per kg (06.06.2013 to 05.06.2014). Certain tariff lines as well as 105 developing countries are excluded from the safeguard measure
Woven fabrics of cotton	25.06.2010	Imposition on 23.03.2011 of safeguard measures for three years: Rp 116,800 per kg (23.03.2011 to 22.03.2012); Rp 109,500 per kg (23.03.2012 to 22.03.2013); and Rp 102,200 per kg (23.03.2013 to 22.03.2014)
...

Source: Notifications to the WTO Committee on Safeguards; and additional information provided by the authorities.

APPENDIX TABLES**Table A1. 3 Merchandise imports by product group, 2007-11**

(US\$ million and %)

	2007	2008	2009	2010	2011
Total imports (US\$ million)	74,473.4	129,244.1	96,829.2	135,663.3	177,435.6
	(% of total)				
Total primary products	47.4	38.1	34.6	35.3	39.2
Agriculture	14.1	10.3	11.7	11.5	12.6
...
Agricultural raw material	3.5	3.0	2.8	3.1	3.2
2631 Cotton (other than linters), not carded or combed	1.1	0.9	0.8	0.8	1.0
...

Source: UNSD Comtrade database, SITC Rev.3.

MAURITIUS (OCTOBER 2014) - SECRETARIAT REPORT (WT/TPR/S/304/REV.1)

APPENDIX TABLES

Table A1. 3 Merchandise imports by product group, 2007-13

(US\$ million and %)

	2007	2008	2009	2010	2011	2012	2013
Total (US\$ million)	3,901	4,670	3,725	4,402	5,159	5,772	5,398
	(%)						
Total primary products	40.7	45.9	40.7	43.4	46.9	45.5	47.0
Agriculture	21.3	23.5	23.9	23.1	24.2	23.5	24.2
...
Agricultural raw material	2.5	2.6	2.4	2.2	3.0	2.0	2.2
2631 Cotton (other than linters), not carded or combed	0.9	1.2	0.9	0.8	1.5	0.8	0.8
...

Source: UNSD Comtrade database, SITC Rev.3.

Table A3. 1 VAT-exempt supplies, 2013

Item
...
Cotton of headings 52.01, 52.02 and 52.03
...

Source: Value Added Tax Act 1998 (Consolidated Version with amendments to 1 September 2013), First Schedule. Viewed at:
http://mra.gov.mu/download/VATAct_Proclamation_38_2013.pdf
http://mra.gov.mu/download/VATAct_Proclamation_38_2013.pdf

MEXICO (APRIL 2013) - SECRETARIAT REPORT (WT/TPR/S/279/REV.1)
4 TRADE POLICIES BY SECTOR**4.2 Agriculture****4.2.4 Policy instruments****4.2.4.2 Domestic support measures****4.2.4.2.4 Risk prevention and management**

...

The *Supplementary Support for Target Income and Marketing* subprogramme guarantees the producers of certain crops a minimum income by means of a transfer per tonne marketed. Its specific objectives are to incentivize cereal and oilseed production and strengthen the agrifood production and marketing chain by giving the producer income certainty and/or the buyer cost certainty. The "supplementary support" granted is equal to the difference between the market price and the target income, provided that the former is below a minimum target income threshold. This programme is of national scope, and the eligible crops are currently maize, wheat, sorghum, rice, soya, safflower, canola, sunflower and cotton.⁶² Agriculture, Livestock, Rural Development, Fisheries and Food (SAGARPA) determines a "maximum marketable production volume" for the eligible products. Supplementary income support is granted per tonne produced and marketed and is the same for all of the producers of the corresponding state or region, regardless of the producer's individual selling price. The produce cannot be for the grower's own consumption. Marketing support is up to 85% of the costs inherent in the marketing process for the eligible product. Between 2007 and 2011, ASERCA's (Agricultural Marketing Support and Services, which is part of SAGARPA) total annual expenditure under its *Supplementary Support for Target Income and Marketing* subprogramme averaged Mex\$9,851 million, reaching a maximum of Mex\$11,748 million (some US\$840 million) in 2011.⁶³

Price Hedging Support is also available. This mechanism is intended to protect the anticipated income of the producers and/or the cost of purchasing agricultural products. The products eligible for agricultural price hedging support are: maize, wheat, rice, sorghum, cotton, oats, coffee, orange juice, sugar cane, cocoa, barley, oilseeds and their derivatives, beef, pork and milk. Depending on the product, the hedge may be based on another product representative of price movements. ASERCA determines the hedge, which may be basic, i.e. authorized to deal with a specific marketing problem or to protect the income of the producers, or special, i.e. designed by ASERCA to deal with recurring marketing problems. The support is for up to 85% of the total cost of the premium for the futures options contract (put and/or call) for the producer and up to 50% for the consumer and marketer (or if an equivalent direct support hedge is not purchased, up to 50% of the cost of the call/put hedge purchased by the producer). Support worth up to the equivalent of US\$8.00 is also offered to pay the commission for the hedge purchasing and administration service, together with up to 80% of the related costs of participating as a market maker, including the operating costs for joining an electronic market. Out of any profits generated by liquidation, ASERCA recovers up to 50% of its contribution. Any additional hedging profits go to the participant.

...

⁶² In 2012, the target income (per tonne) was: maize (Mex\$2,200); bread wheat (Mex\$3,040); durum wheat (Mex\$2,860); sorghum (Mex\$2,000); safflower (Mex\$4,690); canola (Mex\$4,690); raw cotton (Mex\$19,800), rice (Mex\$3,300), soya (Mex\$4,690), and sunflower (Mex\$4,690).

⁶³ The 2011 data are estimates at 31 July of the same year. Viewed at: Office of the President of the Republic (2011), *Anexo Estadístico*.

APPENDIX TABLES

Table A1.1 Merchandise imports by product category (SITC Rev.3), 2006-2011

(US\$ million and %)

Description	2006	2007	2008	2009	2010	2011
Total (US\$ million)	256,086	281,927	308,583	234,385	301,482	350,842
	(% of imports)					
Total primary products	16.0	17.7	20.8	17.6	18.5	21.3
Agriculture	7.2	7.8	8.4	8.6	7.8	8.3
...
2631 Cotton (other than linters), not carded or combed	0.2	0.2	0.2	0.2	0.2	0.2
...

Source: WTO Secretariat estimates, based on data from the Comtrade database (SITC Rev.3).

Table A1.2 Exports by product, 2007-2012

(US\$ million)

Heading	2007	2008	2009	2010	2011	2012 (Jan-Sept)
Total exports	271,875	291,343	229,704	298,473	349,375	275,380
...
Exports of agricultural products^c	7,415	7,895	7,726	8,610	10,309	8,385
...
Cotton	65	79	47	53	119	96
...

c Includes fishery products.

Source: Foreign Trade Statistics Working Group, composed of the Bank of Mexico, INEGI, the Tax Administration Service and the Ministry of the Economy.

Table A1.3 Imports by product, 2007-2012

(US\$ million)

Heading	2007	2008	2009	2010	2011	2012 (Jan-Sept)
Total	281,949	308,603	234,385	301,482	350,843	273,263
...
Imports of agricultural products	8,994	11,838	8,610	9,845	13,141	9,897
...
Cotton	462	539	412	631	835	354
...

Source: Foreign Trade Statistics Working Group, composed of the Bank of Mexico, INEGI, the Tax Administration Service and the Ministry of the Economy.

MOROCCO (JUNE 2009) - SECRETARIAT REPORT (WT/TPR/S/217/REV.1)

III. TRADE POLICIES AND PRACTICES BY MEASURE

(3) MEASURES DIRECTLY AFFECTING EXPORTS

(i) Procedures

...

The export of some products of animal or plant origin⁶⁴ or products of the crafts industry are subject to technical controls carried out by the EACCE (Independent Export Control and Coordination Agency, a government body attached to the Ministry of Agriculture) and the Ministry responsible for handicrafts, respectively. The EACCE is accredited by the EC; it verifies that the products comply with the various standards in the country of destination. Handicrafts are not deemed to be handcrafted products without the quality control technical endorsement of the Handicrafts Department.

...

⁶⁴ These are: fish, eggs, vegetables, fruit, certain spices, honey, vegetable waxes, fruit juices, cider, wine, vinegar, some oils, cereals (except rice), some flour, and cotton, not carded or combed, and cotton linters.

PAKISTAN (MARCH 2015) - SECRETARIAT REPORT (WT/TPR/S/311)

3 TRADE POLICIES AND PRACTICES BY MEASURE

3.3 Measures Directly Affecting Exports

3.3.1 Registration, documentation, clearance, inspection, and minimum prices

The Trade Development Authority of Pakistan (TDAP) under the Ministry of Commerce succeeded the Export Promotion Bureau (EPB) in 2006 and has pursued a more holistic strategy with respect to global trade development compared to its predecessor. ...

...

Export contract registration with TDAP remains a requirement for export of cotton. ...

3.3.3 Export prohibitions, restrictions, and licensing

3.3.3.2 Export licensing and restrictions

Table 3.8 Exports subject to certain conditions

	HS Code	Item/goods	Condition/procedure/formalities
...
10	5201.0000	Cotton	(i) Export contract registration with TDAP and classification certificate issued by the Pakistan Cotton Standards Institute
...

Source: Export Policy Order 2013, Ministry of Commerce.

4 TRADE POLICIES BY SECTOR

4.2 Agriculture

4.2.3 Key sub-sectors

4.2.3.1 Crops

Table 4.2 Area and production of important crops, 2009-14

(Area "000" hectares and production "000" tonnes)

Crops	2009/10		2010/11		2011/12		2012/13		2013/14	
	Area	Production	Area	Production	Area	Production	Area	Production	Area	Production
...
Cotton ^a	3,106	12,913	2,689	11,460	2,834.5	13,595.0	2,878.8	13,030.7	2,805.7	12,769.0
...

a Cotton production is in thousand bales (375 lbs per bale).

Source: Pakistan Bureau of Statistics.

4.2.3.1.4 Cotton

Pakistan is the fourth largest cotton producer in the world. Cotton is cultivated by around 1.6 million farmers, mostly with smallholdings of less than five hectares. Yields have been largely stagnant for the last several years. Cotton is exported as a raw material, but also provides an essential input to the domestic textiles industry.

The Pakistan Central Cotton Committee (PCCC), a semi-autonomous body in the Ministry of Textile Industry has as an objective to improve the sector's productivity. Its annual budget of PRs 500 to 600 million is funded by a cess payable by the mills. Support prices for cotton were abandoned in 2008. Export contracts on cotton must be registered, with exports being subject to mandatory quality inspection and certification.

Exports of raw cotton amounted to US\$217 million in 2013, whereas exports of cotton yarn amounted to US\$2.2 billion. Pakistan also imports high-quality cotton, to blend with domestic cotton and to produce quality fabrics; imports amounted to US\$757 million of raw cotton and

US\$151 million of cotton yarn in 2013. The average MFN tariff on cotton imports is 3.8%, with tariffs ranging from 1% to 10%.

APPENDIX TABLES

Table A1. 4 Pakistan's merchandise imports by group of products, 2007-13

(US\$ billion and %)

	2007	2008	2009	2010	2011	2012	2013
Total imports (US\$ billion)	32.59	42.33	31.58	37.54	43.58	43.81	43.78
	(% of total)						
Total primary products	43.2	53.1	47.2	51.2	53.7	53.9	52.2
Agriculture	13.9	16.8	15.6	17.9	16.9	14.9	14.5
...
2631 Cotton (other than linters), not carded or combed	2.7	2.8	1.5	2.0	1.9	1.3	1.7
...

Source: UNSD, Comtrade database (SITC Rev.3).

PERU (NOVEMBER 2013) - SECRETARIAT REPORT (WT/TPR/S/289/REV.1)**3 TRADE POLICIES AND PRACTICES BY MEASURE****3.1 Measures affecting imports****3.1.7 Anti-dumping, countervailing and safeguard measures****3.1.7.2 Safeguards**

...

During the review period, Peru initiated only one investigation, in 2009, with a view to the application of a general safeguard measure to imports of cotton yarn (HS 5205 and 5206)⁶⁵, although this ended without any measure being applied.⁶⁶

...

APPENDIX TABLES**Table A1. 5 Merchandise imports by product, 2007-2012**

(US\$ million and %)

Description	2007	2008	2009	2010	2011	2012
	(US\$ million)					
Total	20,368	29,953	21,814	30,030	37,747	42,157
	(% of imports)					
Total primary products	31.7	30.8	27.6	27.4	28.7	26.8
Agriculture	12.0	11.4	12.4	12.0	11.9	11.4
...
Agricultural raw materials	1.6	1.4	1.4	1.7	1.7	1.4
2631 Cotton (other than linters), not carded or combed	0.4	0.3	0.3	0.5	0.6	0.3
...

Source: WTO Secretariat estimates based on data obtained from the Comtrade database (SITC Rev.3) and the Peruvian authorities for 2012.

⁶⁵ WTO document G/SG/N/6/PER/2 of 25 March 2009.

⁶⁶ WTO document G/SG/N/9/PER/2 of 2 November 2009.

SOUTH AFRICA (NOVEMBER 2015) - SECRETARIAT REPORT (WT/TPR/S/324)⁶⁷

3 TRADE POLICIES AND PRACTICES BY MEASURE

3.3 Measures affecting production and trade

3.3.2 Competition policy and price controls

3.3.2.2 Price control

In general, prices in South Africa are market-determined. Guideline prices, for agricultural products subject to levies, continue to be determined under the Marketing of Agricultural Products Act (Act No. 47 of 1996), to ensure that the levy does not exceed 5% of the actual price. Guideline prices are determined for the wine industries, milk and dairy products, as well as cotton lint.

...

4 TRADE POLICIES BY SECTOR

4.1 Agriculture

4.1.2 Policy

...

Levies continue to apply to the export and/or production of the following products: ..., cotton, ...

⁶⁷ Trade Policy Review of the Southern African Customs Union (SACU).

THAILAND (NOVEMBER 2015) - SECRETARIAT REPORT (WT/TPR/S/326)

3 TRADE POLICIES AND PRACTICES BY MEASURE

3.4 Other Measures Affecting Production and Trade

3.4.4 Competition policy and consumer protection

3.4.4.2 Price controls

... Its Central Commission on Prices of Goods and Services (CCP) in the DIT has the authority to set out: the goods and services subject to price controls; controls for their sale or purchase prices; and, procedures and conditions relating to the display of prices. ...

... The CCP Monitoring List remains divided into three categories (Table 3.7): the Sensitive goods and services whose prices are monitored daily because they are expected to increase in the near future; the Priority Watch goods and services that are monitored twice a week; and the Watch goods and services that are monitored twice a month. ...

Table 3.7 Products and services subject to monitoring, April 2015

List	Products
	Goods
Sensitive	...
Priority Watch	...
Watch	... 82. Absorbent cotton ...161. Cotton wool ...
	Services
...	...

Source: Department of Internal Trade online information. Viewed at:
<http://www.dit.go.th/en/backoffice/uploadfile/255610011351485115749.pdf> and
<http://www.dit.go.th/en/backoffice/uploadfile/255610011147057425749.pdf>.

4 TRADE POLICIES BY SECTOR

4.2 Agriculture and Food Processing

4.2.2 Trade

...

In value terms, major imports are soya bean oil cakes, soya beans, food preparations and cotton (Table 4.4). The main sources of soya bean oil cakes and soya beans are Brazil, Argentina and the United States; of food preparations, the United States, Singapore and China; and of cotton, the United States, Australia, Brazil, and Mali. ...

Table 4.4 Imports of selected agricultural products, 2008-14

HS code		2008	2009	2010	2011	2012	2013	2014
...
5201 - Cotton, not carded/combed	US\$ million	715.3	484.6	729.6	1,120.0	748.9	734.2	676.3
	'000 tonnes	435.9	349.7	383.7	319.2	305.8	344.9	322.3
...

Note: WTO definition of agriculture used.

Source: UNSD Comtrade database.

TURKEY (FEBRUARY 2012) - SECRETARIAT REPORT (WT/TPR/S/259/REV.1)**"II. TRADE AND INVESTMENT REGIMES****(3) TRADE AGREEMENTS AND ARRANGEMENTS****(i) WTO****Table II.2 - Selected notifications to the WTO, January 2011 to 8 November 2011**

Requirement	Subject	Most recent notification	Date
...
Safeguards			
...
Articles 12.1(a), 12.4, and 9 footnote 2	Cotton yarn (extension)	G/SG/N/11/TUR/17 and Corr.1, G/SG/N/7/TUR/10, G/SG/N/6/TUR/14/Suppl.1	24.06.11
...

Source: WTO documents.

III. TRADE POLICIES AND PRACTICES BY MEASURE**(1) MEASURES DIRECTLY AFFECTING IMPORTS****(vi) Application of internal taxes**

...

... Turkey applies VAT on the supply and import of goods and many types of services. The general rate of VAT has been set at 18% since 15 May 2001. Special VAT rates apply to List I and List II items, notably to basic foodstuffs, books and similar publications (8%), and to raw cotton and dried hazelnuts (1%). ...

...

(x) Anti-dumping, countervailing duty, and safeguard regimes**(b) Safeguard measures**

...

... In new cases, Turkey imposed definitive safeguard measures on all imports of certain electrical appliances and cotton yarn in 2008, and on matches in 2009 (Table III.13). ... Turkey has also initiated investigations to extend its safeguard measures on imports of spectacle frames; travel goods, handbags and similar containers; and cotton yarn. Provisional safeguard measures are in force while the investigations continue.⁶⁸

Table III.13 - Definitive safeguard measures in force, 2011

Product	Date of imposition of definitive measure
...	...
Cotton yarn	11/8/2008
...	...

Source: Information provided by the Turkish authorities.

IV. TRADE POLICIES BY SECTOR**(1) AGRICULTURE****(iv) Domestic programmes**

⁶⁸ Concerning cotton yarn, a request has been made, pursuant to Article 13.1(b) of the Agreement on Safeguards, that the Committee on Safeguards should determine whether Turkey has complied with the procedural requirements of the Agreement in connection with the safeguard measure (see WTO document G/SG/W/221, 8 November 2011).

(b) Deficiency payments

The effect of a deficiency payments scheme on production is similar to that of an administered price system as it guarantees producers a minimum price. During the review period, deficiency payments were granted mainly for wheat, cotton, sunflowers, maize, tea, barley, and milk (Table AIV.1).

APPENDIX TABLES**Table AI.3 - Structure of imports, 2006-10**

(US\$ million and %)

	2006	2007	2008	2009	2010
Total (US\$ million)	139,576.2	170,062.7	201,963.6	140,928.4	185,544.3
	(%)				
Total primary products	32.9	33.4	38.7	34.7	35.7
Agriculture	5.2	5.8	6.5	6.8	6.9
...
2631 Cotton (other than linters), not carded or combed	0.7	0.8	0.5	0.7	0.9
...

Source: UNSD, Comtrade database (SITC Rev.3); and data provided by the Turkish authorities.

Table AIV.1 - Main measures of support of Turkish agriculture, 2006-10

(TRY million)

	2006	2007	2008	2009	2010
...
Deficiency payments, of which:	1,723	1,834	1,649	1,540	2,110
...
Cotton premium	566	828	683	509	519
...

Source: OECD, PSE/CSE database. Viewed at:
http://www.oecd.org/document/59/0,3746,en_2649_37401_39551355_1_1_1_37401,00.html#country.

**UNITED STATES OF AMERICA (DECEMBER 2014) - SECRETARIAT REPORT
(WT/TPR/S/307/REV.1)**

3 TRADE POLICIES AND PRACTICES BY MEASURE

3.1 Measures Directly Affecting Imports

3.1.5 Other charges affecting imports

3.1.5.1.4 Agriculture fees

Pursuant to a number of laws or regulations, CBP collects a number of agricultural fees on behalf of the Department of Agriculture (Table 3.4). ...

...

Table 3.4 Agricultural fees

Fee	Legal reference	Reason	Amount of fee
...
Cotton Imports Assessment	Cotton Research and Promotion Act of 1989 7 CFR 1205	Cotton research, promotion, consumer information	Varies according to the HTS number
...

Source: CPB online information. Viewed at:
http://www.cbp.gov/sites/default/files/documents/userfee0407_3.pdf.

4 TRADE POLICIES BY SECTOR

4.1 Agriculture

4.1.1 Agricultural Act of 2014

4.1.1.1 Overview

Crop sector

One of the most significant changes affecting the structure of the U.S. farm safety net is the elimination of the Direct Payments (DP) programme. The DP programme has been a cornerstone of U.S. agricultural policy reforms since the end of the Uruguay Round negotiations, and provided about US\$5 billion annually in decoupled income support to farmers and landlords. The Counter-Cyclical Payments (CCP) programme and the Average Crop Revenue Election (ACRE) programme have also been eliminated. These three measures (DP, CCP, and ACRE) have been replaced by two new measures, the Price Loss Coverage (PLC) and Agriculture Risk Coverage (ARC).

In the PLC programme, deficiency payments are provided when commodity prices fall below the statutory "reference prices". The PLC payments are coupled to current prices, but decoupled from actual production, to the extent that payments are based on historical yields and a percentage of historical planted acres (base acres). Farmers have a one-time opportunity under the new Farm Bill to update their historical payment yields and re-allocate base acreage, which may more closely align base acres with recent planting, thereby linking payments to a more recent base period.

As an alternative to the PLC, farmers may participate in the new ARC programme, a revenue-based deficiency payments scheme, which is coupled to current prices and also tied to a percentage of base acres, amongst other parameters. The PLC and ARC have the same commodity coverage as the repealed programmes (grains, rice, oilseeds, pulses, peanuts), excluding upland cotton.

The marketing loan programme, which provides income support via loan deficiency payments/marketing loan gains in a low-price environment, remains unchanged (with the exception of a potentially lower loan rate for upland cotton). Thus, the key commodity programmes may be considered as variants of deficiency payment schemes in the trade-distorting category.

Federal crop insurance with subsidized insurance premiums is available for over 100 commodities and livestock. Crop insurance traditionally provides coverage for about 70-75% of expected revenues or yields. The 2014 Farm Bill introduces a new subsidized insurance programme

(Supplemental Coverage Option) that allows eligible farmers to top up their crop insurance, in order to cover a portion of the deductible of the insurance.⁶⁹ For producers of upland cotton, a new subsidized insurance plan, Stacked Income Protection (STAX), will be available starting in the 2015 marketing year. The Supplemental Coverage Option (SCO) is not available for ARC and STAX participants. These are examples of how the new Farm Bill attempts to address the issue of overlap of the price- and revenue-based income supports and crop insurances, and the potential for overcompensation of farmers' actual losses.⁷⁰ The sugar regime with its key instruments (price support; a domestic marketing allotment fixed at 85% of domestic consumption; feedstock flexibility programme and other measures to divert surplus sugar to ethanol production and other uses; tariff rate quotas) remains unchanged.

...

Table 4.1 Overview of main programme changes in the 2014 Farm Bill

	2008 Farm Bill	2014 Farm Bill
Commodity programmes	Marketing loan programme	Maintained <ul style="list-style-type: none"> • Coupled to current prices and production • Loan rates unchanged, except for potential downward adjustment of upland cotton loan rate
	Direct payments	Eliminated <ul style="list-style-type: none"> • DP-style programme for upland cotton until Stacked Income Protection (STAX) is implemented

Crop insurance	Federal Crop Insurance Programme (permanently authorized)	Maintained Amendments include new subsidized insurance programmes: <ul style="list-style-type: none"> • Supplemental Coverage Option (SCO) • Stacked Income Protection Plan for producers of upland cotton (STAX)

Export credit guarantees	Export credit guarantee programme (GSM-102)	Maintained Amendments include: <ul style="list-style-type: none"> • Maximum tenor reduced to 24 months • Flexibility given to the U.S. Secretary of Agriculture to adapt the programme pursuant to such terms as may be agreed between the United States and Brazil in the cotton dispute WTO/DS267

Source: WTO Secretariat.

4.1.1.2 Title I (Commodities)

4.1.1.2.1 Elimination of direct payments

Direct payments (DPs) were eliminated at the end the 2013 crop year (P.L. 113-79, Sec. 1101).⁷¹ DPs have been controversial in the United States in a climate of fiscal restraint because they were paid out to farmers and some landlords irrespective of record commodity prices and healthy farm incomes in recent years and even if no crops were grown on eligible land.⁷²...

⁶⁹ The deductible is the amount of expenses that must be paid out of pocket before an insurer will pay any expenses.

⁷⁰ Given the complexity of the U.S. farm programmes, the USDA has previously drawn attention to this issue. USDA online information, "Identifying Overlap in the Farm Safety Net". Viewed at: <http://www.ers.usda.gov/publications/eib-economic-information-bulletin/eib87.aspx>.

⁷¹ Transitional DPs for upland cotton apply in the crop year 2014 and possibly also in crop year 2015 in some areas, due to the delayed implementation of the STAX programme (P.L. 113-79, Sec. 1119).

⁷² The DPs are fixed payments for producers and some landowners based on historical acreage and yields of covered commodities (wheat, corn, grain sorghum, barley, oats, rice, upland cotton, rice, soybeans and other oilseeds, and peanuts). The programme has planting flexibility provisions, but production is not required to receive the DPs.

4.1.1.2.2 Price Loss Coverage

The Counter-Cyclical Payments (CCP) programme has been repealed (P.L. 113-79, Sec. 1102) and a similar price-based programme, Price Loss Coverage (PLC), introduced. The main purpose of both the CCP and the PLC is to help stabilize farm incomes by providing deficiency payments when commodity prices fall below certain levels (target prices under CCP, reference prices under PLC).

The PLC is open for enrolment by farmers with eligible historical acreage (base acres) of "covered" commodities.⁷³ Eligible commodities are the same as under the CCP programme (wheat, feed grains, rice, oilseeds, peanuts, and pulses), with the exception of upland cotton, for which a new insurance programme was established (Stacked Income Protection Plan). ...

Like the expired CCP programme, PLC payments are based on a percentage (85%) of base acres and historical yields, i.e. they are decoupled from current production. However, farmers have the one-time option of updating yields, and of allocating base acres among covered commodities based on the average planted acres in 2009-12. Acreage shifts among commodities in recent years, include an increase in corn and soybeans, and a decline in wheat, feed grains, and upland cotton (Table 4.3). A reallocation of base acres and yield updating could increase the link or correlation between base acres, and actual crop production and farmers' risks. Base acres for upland cotton ("generic" base acres) are excluded from reallocation. The payments on generic base acres are tied to the covered commodities planted on those acres (i.e. payments are coupled to current planting decisions), which increases the link between current production and payment on those acres. However, rules governing the allocation of payments from generic and commodity-specific base acres aim to minimize some of those effects. The maximum total base acreage remains the same as in previous Farm Bills, i.e. the number of acres that may receive payments is unchanged. Producers are free to produce most crops on base acres (with some limits, though less restrictive than before, on fruits and vegetables, and wild rice), but production is not required in order to receive the PLC payments. Conservation compliance provisions apply (section 4.1.1.3).

Table 4.3 Reallocation of base acreage

	Base acres (million), 2008 Farm Bill	Planted acres (million), 2009-12 average
...
Upland cotton	17.9	11.6
...

Source: Information provided by the U.S. authorities.

The United States has notified the CCP programme in terms of non-product-specific AMS (*de minimis*), arguing that payments cannot be ascribed to a specific product. Counter-cyclical payments declined to US\$16.9 million in FY2010 and zero in FY2011, as market prices of most covered commodities have been above target prices in recent years (Table 4.2). Since the 2006 marketing year, payments have been made only for upland cotton and peanuts base acres. CCP payments were terminated at the end of the 2013 crop year.

4.1.1.2.4 Marketing loan programme

The marketing loan programme remains unchanged, with the exception of a potential downward adjustment of the loan rate for upland cotton. ...

With the exception of upland cotton, the 2014 Farm Bill holds the loan rates at the same level as for crop years 2010-13 and the statutory rates are fixed for the crop years 2014-18. ... Unlike the PLC or ARC, marketing loan programme payments are not tied to, or capped by, base acres. Thus, marketing loan support is fully coupled to current prices and production. To be eligible, farmers must comply with environmental cross-compliance provisions and report all crop acreage planted on the farm.

⁷³ To acquire base acres, a new farmer would have to buy or rent a farm with existing base acres.

The marketing loan programme figures as trade-distorting domestic support (AMS) in U.S. domestic support notifications, with loan deficiency payments, marketing loan gains, and forfeitures classified as non-exempt direct payments. ...

4.1.1.10 Title XI (Crop Insurance)

4.1.1.10.1 Overview

The Federal crop insurance programme is permanently authorized under the Federal Crop Insurance Act of 1980, as amended, *inter alia*, by subsequent Farm Bills. The new Farm Bill retains the federal crop insurance programme, albeit with a number of amendments and increased spending for subsidized crop insurance. Most of the increase is due to two new insurance plans: for cotton (Stacked Income Protection Plan for producers of upland cotton), and for other crops (Supplemental Coverage Option). ...

...

... Four crops (corn, soybeans, wheat, and cotton) accounted for most of the premium subsidies (84% of the total in crop year 2009).⁷⁴ Insurance policies are sold by 18 approved private insurance companies, whose operating and administrative costs are partially reimbursed and losses underwritten by the Federal Government (as notified by the United States in the General Services category of the Green Box).

4.1.1.10.3 Stacked Income Protection Plan for Producers of Upland Cotton

The Stacked Income Protection Plan for Producers of Upland Cotton (STAX) is a new statutory revenue insurance that covers losses of up to 20% of expected county revenues (P.L. 113-79, Sec. 11017). Historical acreage planted with upland cotton is not eligible for payments under the PLC or ARC programmes. The STAX is generally meant to supplement producers' other insurance policies. The policy includes a multiplier factor of 80%-120%, allowing producers to adjust the amount of protection per acre. The premium subsidy rate is set at 80%. STAX will not be operational until the 2015 marketing year.

APPENDIX TABLES

Table A1. 6 Merchandise exports and re-exports by groups of products, 2008-13

(US\$ million and %)

Description	2008	2009	2010	2011	2012	2013
Total	1,299,900	1,056,710	1,277,110	1,479,730	1,545,570	1,578,000
(% of total exports and re-exports)						
Total primary products	20.5	19.7	21.2	23.9	23.3	23.5
Agriculture	10.8	11.3	11.2	11.4	11.1	11.1
...
2631 Cotton (other than linters), not carded or combed	0.4	0.3	0.5	0.6	0.4	0.4
...

Source: UNSD, Comtrade database (SITC Rev.3).

⁷⁴ Congressional Research Service (2013a).

Table A4. 1 Commodity loan rates and Price Loss Coverage reference prices, Agricultural Act of 2014

Covered commodities	Marketing loan programme Commodity loan rates		Price Loss Coverage Reference prices	
		converted into US\$/tonne		converted into US\$/tonne
...
Extra-long staple cotton (lb.)	0.7977	1758.6	n.a.	n.a.
Upland cotton	Simple average of the adjusted prevailing world price for the two immediately preceding MYs, but not less than US\$0.45/lb. or more than US\$0.52/lb		n.a.	n.a.

n.a. Not applicable (i.e. not a covered commodity).

Note: For the conversion factors, see US TPR (2010), Table AIV.1.

Source: Agricultural Act of 2014.

VIET NAM (SEPTEMBER 2013) - SECRETARIAT REPORT (WT/TPR/S/287/REV.1)

4 TRADE POLICIES BY SECTOR

4.2 Agriculture

4.2.2 Trade

Table 4.2 Exports [???] and imports of agricultural, 2005-11

HS 2002			2005	2006	2007	2008	2009	2010	2011
...
Imports									
	TOTAL (not including rubber)		2,404	2,850	4,066	5,819	5,757	7,849	10,052
...
5201	Cotton, not carded or combed	'000 tonnes	106	176	202	291	295	349	320
		US\$ million	163	214	259	456	385	661	1,037
...

Source: UNSD Comtrade.

4.2.3 Policies

4.2.3.2 Domestic policies

...

Product-specific plans set out objectives and general policies for some crops and other agricultural products...⁷⁵ Similarly, the Cotton Development Master Plan for 2015-20 sets targets for areas (in this case, an increase in area planted) and states that assistance will be provided through low-interest loans and improved infrastructure.⁷⁶

...

APPENDIX TABLES

Table A1. 7 Merchandise imports by product group, 2007-11

(US\$ million and %)

	2007	2008	2009	2010	2011
Total imports (US\$ million)	62,764.7	80,713.8	69,948.8	84,838.6	106,749.9
	% of total				
Total primary products	27.5	29.0	25.5	26.5	28.3
Agriculture	9.4	9.8	10.8	12.1	12.4
...
2631 Cotton (other than linters), not carded or combed	0.4	0.6	0.5	0.8	1.0
...

Source: UNSD Comtrade database, SITC Rev.3.

⁷⁵ USDA Foreign Agricultural Service (2012a).⁷⁶ USDA Foreign Agricultural Service (2012b).

Table A3. 1 Preferential tariff averages for selected product groups, 2013

Description	No. of lines	MFN applied (%)	ATIGA ^a (%)	AK FTA ^b (%)	AC FTA ^c (%)	AANZ FTA ^d (%)	AI FTA ^e (%)	AJ CEPA ^f (%)	VJ EPA ^g (%)
Total	9,558	10.4	2.0	7.5	4.2	8.2	9.1	7.8	7.6
HS 01-24	1,594	17.4	2.8	10.5	4.7	13.5	15.5	14.3	14.5
HS 25-97	7,964	9.0	1.8	6.9	4.1	7.2	7.8	6.5	6.2
By WTO category									
WTO Agriculture	1,298	17.4	3.4	10.4	5.4	12.6	15.1	13.8	14.0
...
Cotton	5	6.0	0.0	3.0	3.0	3.0	6.0	3.0	3.3
...

a ASEAN Trade in Goods Agreement (Circular No. 161/2011/TT-BTC).

b ASEAN-Korea Free Trade Agreement (Circular No. 163/2011/TT-BTC).

c ASEAN-China Free Trade Agreement (Circular No. 162/2011/TT-BTC).

d ASEAN-Australia New Zealand Free Trade Agreement (Circular No. 44/2012/TT-BTC).

e ASEAN-India Free Trade Agreement (Circular No. 45/2012/TT-BTC).

f ASEAN-Japan Comprehensive Economic Partnership Agreement (Circular No. 20/2012/TT-BTC).

g Viet Nam-Japan Economic Partnership Agreement (Circular No. 21/2012/TT-BTC).

Source: WTO Secretariat calculations, based on data from the Ministry of Finance, Circular No. 193/2012/TT-BTC and Circular Nos. as in footnotes a to g.