

WORLD TRADE ORGANIZATION

RESTRICTED

G/SCM/Q2/CAN/4

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(96-2650)

Committee on Subsidies and Countervailing Measures

Original: Spanish

SUBSIDIES

Questions from ARGENTINA Regarding the Full and Complete Notification of CANADA¹

The following communication, dated 10 June 1996, has been received from the Permanent Mission of Argentina.

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1. In the case of the programmes of industrial subsidies for research and development, can Canada specify the percentage of the total cost of the subsidized project which these subsidies represent, as required under Article 8.2(a) of the Agreement? Could Canada also specify the types of costs covered by such subsidies?
 2. The presentation of the general programmes and the programmes relating to specific products would seem to show the existence of an extensive pattern of assistance to agricultural production. While the information presented does not vouchsafe the conclusion that specific subsidies within the meaning of Article 2 of the Agreement exist, it would be important to have additional information on the sectoral distribution of the general programmes so as to be able to analyse this matter in greater depth and detail.
 3. With regard to the Feed Freight Assistance Programme for areas where this input is scarce, we have doubts as to the impact of the subsidy on the final cost of the product. Would it be possible to know the incidence per product of this freight subsidy?
 4. With regard to the dairy sector, the aid programme presented raises a doubt as to its impact on production levels and the generation of exportable surpluses that could be sold on various markets with adverse effects from the standpoint of maintaining competitive conditions. Would it be possible to know the incidence of this programme on quantities exported and the export prices of dairy products?
 5. With regard to the information given in Tables Nos. 2 and 3 on pork and beef, respectively, an increase in exports may be noted, which could be linked with the assistance programmes for these production sectors as translated into lower export prices. Could Canada explain whether there is any such relationship?

¹G/SCM/N/3/CAN + Rev.1.