

CHINA – DOMESTIC SUPPORT FOR AGRICULTURAL PRODUCERS

(DS511)

**CLOSING STATEMENT OF
THE UNITED STATES OF AMERICA
AT THE FIRST SUBSTANTIVE MEETING OF THE PANEL**

January 24, 2018

1. We've covered a lot of ground in this dispute, and there are many issues for the Panel to consider.
2. Ultimately, though, the question is straightforward: did China comply with its obligations under Article 3.2 and 6.3 of the Agriculture Agreement.
3. With respect to MPS for a product-specific aggregate measurement of support (AMS), the Panel must look to Annex 3, paragraph 8 of the Agriculture Agreement, which contains a simple equation, applied administered price minus fixed external reference price, and multiplied by eligible production. To determine the relevant values for each of those factors, as opposed to their meanings, the Panel must take into account the constituent data and methodology contained in the supporting materials to Part IV of China's Schedule of Goods.
4. If the levels of support yield a value in excess of 8.5% of the total value of production for any of the relevant products, China will have exceeded its domestic support commitment of zero.
5. If a finding of inconsistency is made, the Panel's task is also straightforward. Article 19.1 of the DSU provides that the Panel shall recommend that the Member bring its measures into conformity with its obligations.
6. The Agreements guide the Panel's task, and if followed, allow for a positive solution to the dispute.
7. Thank you.