

1 ARTICLE 7	1
1.1 Text of Article 7.....	1
1.2 Paragraph 2.....	1
1.2.1 Sub-paragraph 2(b)	1

1 ARTICLE 7

1.1 Text of Article 7

Article 7

General Disciplines on Domestic Support

1. Each Member shall ensure that any domestic support measures in favour of agricultural producers which are not subject to reduction commitments because they qualify under the criteria set out in Annex 2 to this Agreement are maintained in conformity therewith.

2. (a) Any domestic support measure in favour of agricultural producers, including any modification to such measure, and any measure that is subsequently introduced that cannot be shown to satisfy the criteria in Annex 2 to this Agreement or to be exempt from reduction by reason of any other provision of this Agreement shall be included in the Member's calculation of its Current Total AMS.

(b) Where no Total AMS commitment exists in Part IV of a Member's Schedule, the Member shall not provide support to agricultural producers in excess of the relevant *de minimis* level set out in paragraph 4 of Article 6.

1.2 Paragraph 2

1. In *Korea – Various Measures on Beef*, the Panel found that Korea's Current AMS for beef exceeded the *de minimis* level set out in Article 6.4 and was therefore inconsistent with Article 7.2(a).¹ The Appellate Body reversed this finding on the ground that the Panel had used a methodology inconsistent with Article 1(a)(ii) and Annex 3.²

1.2.1 Sub-paragraph 2(b)

2. In *India – Sugar and Sugarcane*, the Panel found that India had violated Article 7.2(b):

"In view of the fact that, for five consecutive sugar seasons, from 2014-15 to 2018-19, India provided non-exempt domestic support to sugarcane producers in excess of the permitted level of 10% of the total value of sugarcane production, we conclude that India is acting inconsistently with Article 7.2(b) of the Agreement on Agriculture."³

Current as of: December 2024

¹ Panel Report, *Korea – Various Measures on Beef*, para. 844.

² Appellate Body Report, *Korea – Various Measures on Beef*, para. 186(c).

³ Panel Report, *India – Sugar and Sugarcane*, para. 7.112.