

WORLD TRADE ORGANIZATION

G/AG/N/NZL/70
23 September 2011

(11-4597)

Committee on Agriculture

Original: English

NOTIFICATION

The following submission, dated 21 September 2011, is being circulated at the request of the Delegation of **New Zealand**. The notification concerns new or modified domestic support measures exempt from reduction (**Table DS:2**).

Table DS:2

DOMESTIC SUPPORT: New Zealand

*Notification under Article 18:3 of the Agreement:
New or modified domestic support measures exempt from reduction*

- (1) **Full title of measure:** Irrigation Acceleration Fund (IAF)
- (2) **Domestic legislation:** None. On 9 May 2011 the New Zealand government announced an irrigation-focused fund as a Budget 2011 initiative.
- (3) **Detailed description of measure with reference to criteria:** The IAF will allocate funds over five years to unlock the economic growth potential of New Zealand's primary sectors by developing more efficient and effective water infrastructure, such as storage and distribution. It offers government co-investment, designed to attract private or regional investment in locally, regionally and nationally significant irrigation and water storage schemes.

This programme meets the criteria of Annex 2 to the Agreement on Agriculture. Funding as part of this initiative will also meet the relevant and specific criteria of paragraph 2(g) General Services – Infrastructural Services. The expenditure is directed at the provision or construction of capital works only, and excludes the subsidisation of on-farm facilities. It does not include subsidies to inputs or operating costs, or preferential user-charges.

The IAF extends the scope of the existing Community Irrigation Fund and intends to speed up and improve the management of irrigation scheme developments and reduce costs. The fund will be used to help irrigation schemes become investment-ready via a new Non-Departmental Other Expense Appropriation: Water Storage and Irrigation Development Proposals.

The IAF provides no price support or direct payments to producers or processors.

- (4) **Cost of measure:** The IAF is a \$NZ 35 million fund.
- (5) **Date of entry into effect:** Funding will be available from 2011/12.
- (6) **Period of application:** The fund is to be allocated over five years.
- (7) **Products to principally benefit (if any individual product(s)):** Benefits will not accrue to any individual product. Any group involved in developing water infrastructure can apply to the fund. The IAF will have three components: Strategic Water Plans; Regional Water Infrastructure and; Community Irrigation.
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