

Water management, biodiversity and climate change: Potential for green box exemptions

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Domestic Support Rules to Promote Food Security, Climate Action, and Healthier Diets

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Water management
Enhance biodiversity
Mitigate climate change

**Green box:
Annex 2 of
Agreement on
Agriculture**

**Support measures:
open-ended lists**

- **Expenditures on General services**
- **Direct payments to producers**
- **Certain other expenditures**

Fundamental requirement: at most minimal distortions

Basic and policy-specific criteria and conditions

Support is not included in AMSs which means exempt from limits
(not the same “green” as in common environmental jargon)

Water management

Need more effective institutions

Expenditures on General services

- **Research**

- **Infrastructural services**

- **Also other General services categories**

**Pressure to offset producers' loss by
Direct payments if change in water
policy?**

- **Role for payments exempted under para. 5
and para. 6 (Decoupled income support)**

Enhance biodiversity

Mitigate climate change

Clarify green box rules and wording

- Fundamental requirement and negative production effect

- Production methods, inputs, extra costs, loss of income (para. 12)

Pay producers for results or outcome, not production methods

- Role for payments exempted under para. 5 and para. 6 (Decoupled income support)

- Payment conditional on achieving the measured results or outcome

**Research to enable proper measurement of a producer's results or outcome:
How much enhancement? How much mitigation?**

**Enhance biodiversity
Mitigate climate change**

**Avoid distortions in
agricultural markets**

Concurrent priorities

**Design payments to deliver public goods effectively
without distorting production and trade**

**Could mitigating climate change or other sustainability priorities become
important enough to merit revising the rules on green box measures?**

**Thank you for your
attention!**

Draws on chapter 8 in 2023 book

