



## REPORT ON G20 TRADE MEASURES

(MID-OCTOBER 2021 TO MID-MAY 2022)

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## EXECUTIVE SUMMARY

1. This twenty-seventh WTO Trade Monitoring Report on G20 trade measures arrives at a time when the world economy faces severe challenges. As detailed in the previous four Reports, the world continues to fight against the COVID-19 pandemic. At the same time, the war in Ukraine has created a humanitarian crisis of immense proportions and has negatively impacted the world economy, with serious potential implications for many countries around the world, especially with respect to food security.

2. Although the early part of the period covered in this Report (mid-October 2021 to mid-May 2022) provided for some encouraging news for a post-pandemic economic recovery, the Russia-Ukraine war has dealt a severe blow to the outlook for the global economy. Fundamental challenges, such as those related to access to COVID-19 vaccines, diagnostics, and therapeutics, remain at the forefront of the downside risks that the world faces from the COVID-19 pandemic. The war further compounds the pressure on the world economy with trade costs continuing to rise and inflation mounting.

3. Despite the review period ending on 15 May 2022, this Report also makes brief reference to the fact that on 17 June 2022 WTO Members successfully concluded the 12th Ministerial Conference (MC12) in Geneva. This secured a series of unprecedented multilaterally negotiated outcomes on fisheries subsidies, WTO response to emergencies, including a waiver of certain requirements concerning compulsory licensing for COVID-19 vaccines, food security, and WTO reform. The moratorium on e-commerce customs duties was also extended. This outcome underlines the critical role of the WTO in addressing the world's most pressing issues, especially at a time when global solutions are necessary to respond to the pandemic, tackle environmental challenges, and foster greater socioeconomic inclusion.

4. Building on the success of MC12, G20 economies now have an important collective opportunity to lay the foundation for further progress in the months ahead.

### Specific findings

5. The global economic outlook has deteriorated since February as a result of the war in Ukraine, prompting the WTO to downgrade its forecasts for world trade over the next two years. The WTO, in its latest forecast of 12 April 2022, expects merchandise trade volume growth of 3.0% in 2022, down from 4.7% in the previous forecast from last October. Trade is expected to grow by 3.4% in 2023 although such projections heavily depend on how the conflict unfolds.

6. The conflict was not the only factor weighing on trade during the review period. The Omicron wave of COVID-19 saw cases and deaths rise sharply in the first quarter of 2022, adding to the human toll of the pandemic. More recently, stringent lockdowns in China aimed at checking the spread of the disease have again disrupted production and trade at a time when supply pressures appeared to be easing. Lockdowns could lead to renewed shortages of intermediate and final goods, aggravating supply chain problems and adding to inflationary pressures.

7. Since the outbreak of the pandemic, **156 COVID-19 trade and trade-related measures in goods have been implemented by G20 economies**. Of these, 113 (72%) were of a trade-facilitating nature and 43 (28%) could be considered trade restrictive. Export restrictions account for 93% of all restrictive measures recorded. According to the information either identified by the Secretariat or received from delegations and subsequently verified, around 53% of export restrictions have been phased out, meaning that 19 export restrictions are still in place. **The estimated trade coverage of the COVID-19 trade-facilitating measures still in place is larger (USD 111.8 billion) than that of trade restrictions (USD 95.7 billion)**.

8. During the review period, 12 COVID-19 measures on goods were communicated by G20 economies, primarily amendments of existing measures originally implemented in the early stages of the pandemic or termination of others. Similarly, **the flow of new COVID-19-related support measures by G20 economies** to mitigate the social and economic impacts of the pandemic has significantly **decreased** over the past seven months. In the **services sectors** no new COVID-19-related measures were reported during the review period, but many measures introduced in 2020 are still in force and others have been extended.

9. **The war in Ukraine** impacted trade flows significantly during the review period. The Secretariat identified some 43 specific trade and trade-related sanctions by 9 G20 economies imposed on the Russian Federation in the area of trade in goods. Thirty six services trade and trade-related sanctions imposed on the Russian Federation by 9 G20 economies were identified. In the area of intellectual property, several G20 economies implemented measures and sanctions that might indirectly affect the maintenance and licensing of intellectual property rights (IPRs).

10. **With respect to regular trade measures**, 97 new trade-facilitating and 53 trade-restrictive measures were recorded for G20 economies. These include 14 export restrictions and 8 import facilitating measures put in place by G20 economies in response to the conflict. The trade coverage of the import-facilitating measures introduced during the review period was estimated at USD 581.5 billion and that of import-restrictive measures stood at USD 18.2 billion. According to the Secretariat's preliminary estimates, and based on the available information, the trade coverage of the export-restrictive measures taken by G20 economies in response to the conflict was estimated at USD 52.2 billion. That of the import-facilitating measures was estimated at USD 28.7 billion.

11. The **stockpile of G20 import restrictions** in force has grown steadily since 2009 – both in value terms and as a percentage of world imports. By mid-May 2022, 10.9% of G20 imports were affected by import restrictions implemented by G20 economies since 2009 and which are still in force.

12. **After reaching its highest peak in 2020, the average number of trade remedy initiations was the lowest since 2012.** Trade remedy actions remain an important trade policy tool for G20 economies, accounting for 46% of all non-COVID-19-related trade measures on goods recorded in this Report.

13. More than half of the 26 new **regular measures affecting trade in services** implemented by G20 economies during the review period were trade facilitating. Measures mainly referred to telecommunication, computer and Internet- and other network-enabled services, and financial services.

14. **G20 economies remain the most frequent users of the SPS and TBT Committees' transparency mechanisms.** Food safety was the most frequent objective identified in the 241 regular SPS notifications submitted by G20 economies during the review period. Of the 58 specific trade concerns (STCs) raised in the SPS Committee during the review period, 42 (72%) involved a G20 member. G20 economies submitted 42% of all 125 SPS notifications and communications on 26 SPS measures taken in response to the COVID-19 pandemic.

15. Most of the 487 new regular TBT notifications submitted by G20 economies during the review period indicated the protection of human health or safety as their main objective. About 76% (34 of 45) of the new STCs discussed during the review period concerned G20 measures. G20 economies submitted 130 out of 213 TBT notifications (61%) to the WTO in response to the pandemic. TBT notifications in relation to the COVID-19 pandemic cover a wide range of products, including medicines, medical supplies, and personal protective equipment (PPE).

16. Most of the **trade concerns raised in WTO bodies** concerned G20 measures or policies and appeared to indicate persistent and unresolved issues. Overall, WTO Members continue use WTO committees to engage trading partners on real or potential areas of trade friction.

17. In the Committee on **Agriculture** (CoA), most questions focused on policies implemented by G20 economies. Of the 141 questions raised during the review period, 74% related to policies implemented by G20 economies, including questions on SIMs under Article 18.6, individual notifications, and overdue notifications. Most questions concerning G20 economies' individual notifications related to domestic support notifications (over 71%) followed by questions on market access (23%). Global food market developments in the context of the war in Ukraine and the associated implications for food security worldwide dominated discussions of the CoA. During the review period, of the 8 exports restrictions notified, one was submitted by a G20 member.

18. G20 economies continued, during the review period, to fine-tune their intellectual property (IP) domestic frameworks, and to implement specific IP measures to facilitate the development and

dissemination of COVID-19-related health technologies, as well as at streamlining procedural requirements for administrative IP matters.

19. The Report also covers several other important trade-related developments and discussions that took place during the review period, including trade and environment; trade facilitation; regional trade agreements (RTAs); government procurement; electronic commerce; micro, small and medium-sized enterprises (MSMEs); and trade finance.

## 1 INTRODUCTION

1.1. This twenty-seventh WTO Trade Monitoring Report reviews trade and trade-related measures implemented by G20 economies during the period from 16 October 2021 to 15 May 2022.<sup>1</sup> The G20 Trade Monitoring Reports have been prepared since 2009 in response to the request by G20 Leaders to the WTO, together with the Organisation for Economic Co-operation and Development (OECD) and the United Nations Conference on Trade and Development (UNCTAD), to monitor and report on trade and investment measures implemented by G20 economies. The previous Trade Monitoring Report on G20 economies, which covered the period from mid-May to mid-October 2021, was issued on 28 October 2021.

1.2. This Report is issued under the sole responsibility of the Director-General of the WTO. The Report aims to provide transparency on the very latest trends and developments in the implementation of a broad range of policy measures that impact the flow of trade. It offers an update on the main indicators of the world economy and on the state of global trade.

1.3. This Trade Monitoring Report arrives at a time when the world economy faces severe challenges. The world continues to fight against the COVID-19 pandemic with new variants emerging and access to vaccines still lagging in some parts of the world. At the same time, the war in Ukraine has created a humanitarian crisis of immense proportions and has dealt a serious blow to the world economy. Under its trade monitoring mandate, the WTO Secretariat continues to monitor and provide transparency around the wide range of trade-related measures taken in response to these crises.

1.4. A consistent feature of the trade and trade-related measures taken in response to the COVID-19 crisis has been the frequent changes, adjustments, and gradual roll-back of such measures to reflect the evolving situation. The updated lists of measures implemented in the context of the current pandemic are available on the COVID-19 page of the WTO website<sup>2</sup> and cover the areas of goods, services, and intellectual property, as well as measures communicated by Members on general economic support. The lists presented on the website are updated regularly and are not exhaustive. This information is provided for transparency purposes and does not question or pass judgement on the right of G20 economies to implement any of the measures listed. The full list of notifications received by the WTO Secretariat in the context of the COVID-19 pandemic is also available on the WTO website.<sup>3</sup>

1.5. In preparing the Trade Monitoring Reports, the WTO Secretariat requests Members for verification of the trade and trade-related measures identified. In the case of COVID-19 related measures, these were listed on the dedicated COVID-19 page on the WTO website. This transparency initiative has been widely welcomed as providing an important platform for Members to ascertain how others were responding to the pandemic as well as update existing measures, including when these measures were terminated. In its verification requests, the Secretariat also encouraged delegations to notify measures through the relevant WTO committees. This resulted in an important increase in formal notifications, which is also detailed on the dedicated COVID-19 page.

1.6. The structure of this G20 Trade Monitoring Report is modified slightly compared to the October 2021 version. Each Section, except Section 2, will first cover the regular monitoring of trade and trade-related measures implemented during the review period. Subsequently, each Section will address developments in the context of the COVID-19 pandemic, including specific work and activities undertaken in various WTO committees in this context. Finally, and if applicable, each Section will address developments in the context of the war in Ukraine.

1.7. Section 2 of the Report provides an overview of recent economic and trade developments in the G20 economies and includes the most recent forecasts for world trade growth. Section 3 presents selected trade and trade-related policy trends for the review period. Policy developments in trade in

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<sup>1</sup> Unless otherwise indicated in the relevant Section. In addition to the trade policy measures implemented during the period under review and captured in this Report, other actions that impact trade and investment flows may have been taken by G20 economies.

<sup>2</sup> WTO, *COVID-19 and World Trade*. Viewed at: [https://www.wto.org/english/tratop\\_e/covid19\\_e/covid19\\_e.htm](https://www.wto.org/english/tratop_e/covid19_e/covid19_e.htm).

<sup>3</sup> WTO, *WTO Members' Notifications on COVID-19*. Viewed at: [https://www.wto.org/english/tratop\\_e/covid19\\_e/notifications\\_e.htm](https://www.wto.org/english/tratop_e/covid19_e/notifications_e.htm).

services and trade-related aspects of intellectual property rights (TRIPS) are included in Sections 4 and 5, respectively.

1.8. A separate Addendum to this Report contains Annexes with new regular measures recorded for G20 economies during the review period. Measures implemented outside of this period are not included in these Annexes. A summary table, listing all regular trade measures recorded since the beginning of the Trade Monitoring Exercise in October 2008 with an indication of their status, as updated by G20 delegations, can be downloaded from the WTO's website.<sup>4</sup> This information is also publicly available through the Trade Monitoring Database (TMDB).<sup>5</sup> A dedicated page on the WTO website provides an overview of measures implemented and notifications submitted in the context of the COVID-19 pandemic.<sup>6</sup>

1.9. Information on measures included in this Report and its Annexes has been collated from inputs submitted by G20 economies and from other official and public sources. Initial responses to the Director-General's request for information were received from most G20 delegations. These data, as well as information collected from other public and official sources, were returned to delegations for verification. Where it has not been possible to confirm the information, this is noted in the Annexes.

1.10. Preparation of this G20 Trade Monitoring Report was complicated by developments in the context of the war in Ukraine. This Report seeks to provide a factual and non-attributive account of developments in the context of the conflict.

1.11. Finally, on 17 June 2022, WTO Members successfully concluded the 12th Ministerial Conference (MC12) in Geneva, securing multilaterally negotiated outcomes on a series of key trade initiatives, including fisheries subsidies, WTO response to emergencies, including a waiver of certain requirements concerning compulsory licensing for COVID-19 vaccines, food safety and agriculture, and WTO reform. These important achievements will be covered in more detail in the end-of-year Trade Monitoring Report.

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<sup>4</sup> WTO, *Trade Monitoring*. Viewed at: [https://www.wto.org/english/tratop\\_e/tpr\\_e/trade\\_monitoring\\_e.htm](https://www.wto.org/english/tratop_e/tpr_e/trade_monitoring_e.htm).

<sup>5</sup> WTO, *Trade Monitoring Database*. Viewed at: <http://tmdb.wto.org>.

<sup>6</sup> WTO, *COVID-19 and World Trade*. Viewed at: [https://www.wto.org/english/tratop\\_e/covid19\\_e/covid19\\_e.htm](https://www.wto.org/english/tratop_e/covid19_e/covid19_e.htm).

### **Box 1 About the WTO Trade Monitoring Report on G20 Trade Measures**

The Trade Monitoring Report is first and foremost a transparency exercise. It is intended to be purely factual and has no legal effect on the rights and obligations of WTO Members. It is without prejudice to Members' negotiating positions and has no legal implication with respect to the conformity of any measure noted in the report with any WTO Agreement or any provision thereof.

The Report aims to shed light on the latest trends in the implementation of a broad range of policy measures that facilitate as well as restrict the flow of trade, and to provide an update on the state of global trade. The Report neither seeks to pronounce itself on whether a trade measure is protectionist, nor does it question the right of Members to take certain trade measures. The Reports continue to evolve in terms of the coverage and analysis of trade-related issues.

Regarding trade remedy actions, it has been highlighted in discussions among G20 economies, as well as more broadly in the WTO, that some of these measures are taken to address what is perceived by some as a market distortion resulting from trade practices of entities in another trading partner. The WTO Anti-Dumping and SCM Agreements permit WTO Members to impose anti-dumping (AD) or countervailing (CVD) duties to offset what is perceived to be injurious dumping or subsidization of products exported from one Member to another. The Reports are not able to establish if, where or when such perceived distortive practices have taken place. The Reports have never categorized the use of trade remedies as protectionist or WTO-inconsistent or criticized governments for utilizing them. The main objective of monitoring these measures is to provide added transparency and to identify emerging trends in the application of trade policy tools.

With respect to sanitary and phytosanitary (SPS) and technical barriers to trade (TBT) issues covered in the Reports, it is important to emphasize that they are neither classified nor counted as trade-restrictive or trade-facilitating, and the increasing trend with respect to the number of notifications of such measures is linked to the transparency provisions of the Agreements only. The Reports have consistently underlined the basic premise that an increased number of SPS and TBT notifications do not automatically imply greater use of protectionist or unnecessarily trade-restrictive measures, but rather enhanced transparency regarding these measures. Finally, the Reports clearly emphasize that the SPS and TBT Agreements specifically allow Members to take measures in the pursuit of legitimate policy objectives.

Nothing in this Report prejudices Members' right to take such measures consistent with security exceptions under the relevant WTO Agreements. In the context of the war in Ukraine measures implemented with reference to national security concerns are neither included in the Annexes nor attributed.

The WTO Secretariat strives to ensure that the Trade Monitoring Reports are factual and objective. Since 2009, the Reports have aimed to provide a nuanced perspective on developments in international trade. For example, the Reports have consistently emphasized that, although the number of specific and often long-term restrictive trade measures remain a source of serious concern, other key factors may influence trade developments. Discussions among G20 economies have also drawn attention to this point and to the fact that, with respect to both, vigilance is required.

Source: WTO Secretariat.

## 2 RECENT ECONOMIC AND TRADE DEVELOPMENTS

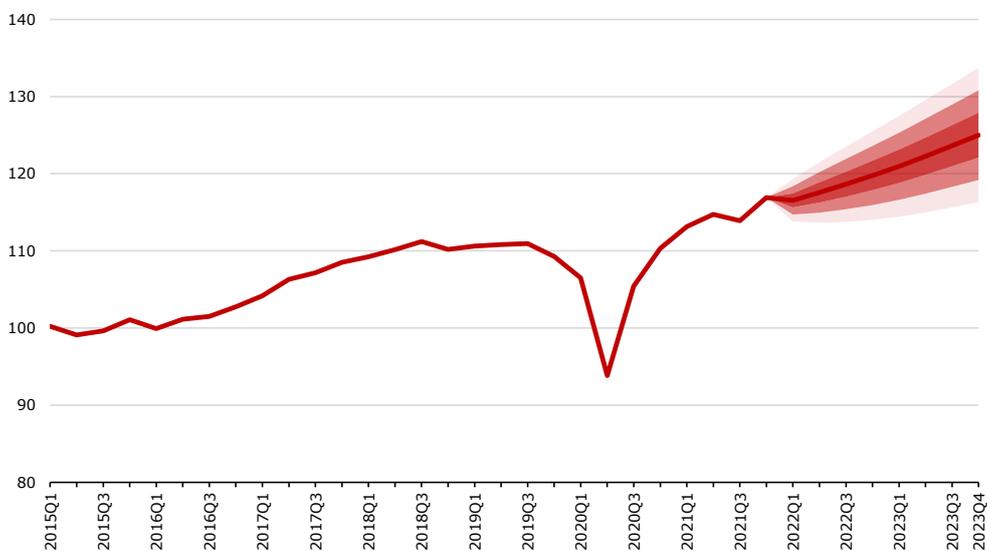
### 2.1 Overview of trade developments and economic outlook

2.1. The global economic outlook has deteriorated since the start of the conflict between the Russian Federation and Ukraine in late February 2022, prompting the WTO to downgrade its forecasts for world trade over the next two years.<sup>1</sup> The WTO now expects merchandise trade volume growth of 3.0% in 2022, down from 4.7% in the previous forecast from last October. Trade is also expected to grow 3.4% in 2023, but distant projections should be heavily discounted at the moment since outcomes will mostly depend on how the conflict unfolds (Chart 2.1, Table 2.1).

2.2. The WTO also published an in-depth analysis of the implications of the conflict for global trade and development in a Secretariat Note issued on 11 April.<sup>2</sup> The Note identified countries and regions most likely to be adversely affected by the conflict and explored possible short- and long-term economic impacts under different scenarios. While the Russian Federation and Ukraine have relatively small shares in world trade, they are important suppliers of several essential goods including food, energy, and metals. The combined share of Russian Federation and Ukraine in world merchandise exports was 2.5% in 2019, but they also made up 25% of wheat exports, 15% of barley exports, and 45% of sunflower products exports. The Russian Federation alone accounted for 9.4% of world fuel exports, including a 20% share in natural gas trade.

**Chart 2.1 World merchandise trade volume, 2015Q1-2023Q4**

(Seasonally-adjusted volume index, 2015=100)



Note: Each shaded region represents a  $\pm 0.5$  standard error band around the central forecast.

Sources: WTO Secretariat and UNCTAD for trade volume data; WTO for forecasts.

2.3. The war was not the only factor weighing on trade during the review period. The Omicron wave of COVID-19 saw cases and deaths rise sharply in the first quarter of 2022, adding to the human toll of the pandemic. More recently, stringent lockdowns in China aimed at checking the spread of the disease have again disrupted production and trade at a time when supply pressures appeared to be easing. Lockdowns could lead to renewed shortages of intermediate and final goods, aggravating supply chain problems and adding to inflationary pressures.

2.4. The trade forecast is premised on global GDP growth at market exchange rates of 2.8% in 2022 and 3.2% in 2023. With little hard data on the economic impact of the conflict, the WTO relied

<sup>1</sup> WTO, "Russian Federation-Ukraine conflict puts fragile global trade recovery at risk", 12 April 2022. Viewed at: [https://www.wto.org/english/news\\_e/pres22\\_e/pr902\\_e.htm](https://www.wto.org/english/news_e/pres22_e/pr902_e.htm).

<sup>2</sup> WTO, "WTO Secretariat note examines impact of the crisis in Ukraine on global trade and development", 11 April 2022. Viewed at: [https://www.wto.org/english/news\\_e/news22\\_e/devel\\_08apr22\\_e.htm](https://www.wto.org/english/news_e/news22_e/devel_08apr22_e.htm).

on simulations to generate reasonable GDP estimates for forecasting purposes. These simulations capture: (i) the direct impact of the conflict in Ukraine, including the widespread destruction of factors of production; (ii) the effects of sanctions on the Russian Federation, including increased trade and transaction costs; and (iii) slower aggregate demand growth in the rest of the world due to falling business and consumer confidence. The forecast does not consider the potential impact of food export restrictions, nor does it consider the long-run impact of economic decoupling based on geopolitical concerns.

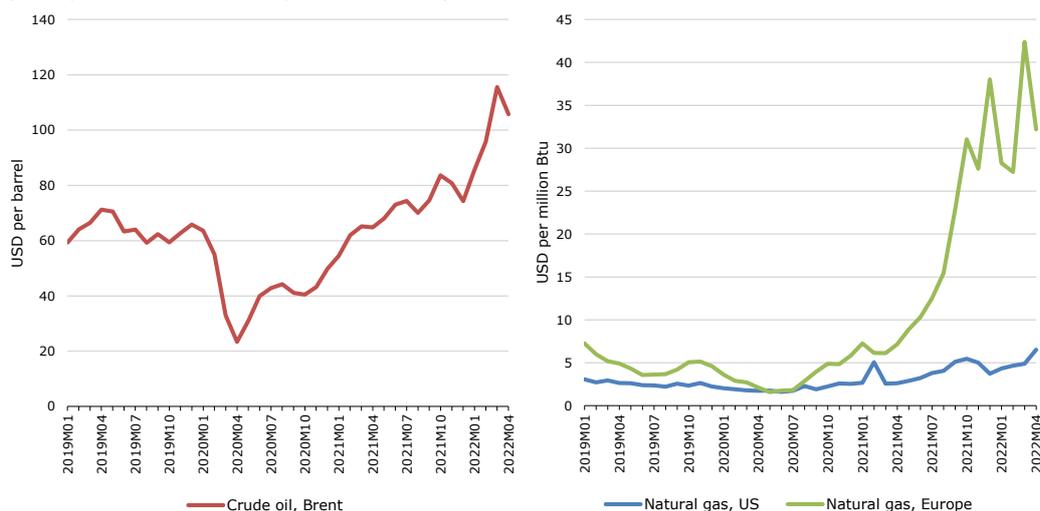
2.5. Merchandise trade volume growth in 2021 came at 9.8%, slightly below existing forecasts (compared to 10.8% last October). The shortfall is partly explained by the emergence of the Delta variant of COVID-19, which contributed to the 0.7% quarter-on-quarter decline in the volume of world merchandise trade by the third quarter last year. To date, around two-thirds of the world's population has received at least one dose of a vaccine, including 80% of eligible people in high-income countries, 82% in upper-middle income countries, 61% in lower-middle-income countries, and just 16% in low-income countries.

2.6. There is an unusually high degree of uncertainty associated with the current forecast due to the unpredictable nature of the conflict and the ongoing threat of the pandemic. Based on estimated confidence intervals, merchandise trade growth in 2022 could be as low as 0.5% or as high as 5.5%, but it could also settle outside this range if underlying macroeconomic conditions change significantly. Risks to the forecast are firmly on the downside, particularly if inflationary expectations become entrenched and Central Banks accelerate the pace of monetary tightening. There is some limited upside potential if the conflict ends soon, but the downside risk of an extended conflict is equally likely.

2.7. Chart 2.2 illustrates recent increases in energy prices, which were already rising before the conflict broke out at the end of February 2022. The benchmark Brent crude oil price stood at USD 105.8 per barrel in April, 63% higher than the same time last year. The April figure was actually down compared to March, when it stood at USD 115.6 per barrel, up 77% year-on-year.

**Chart 2.2 Monthly average prices for crude oil and natural gas, January 2019-April 2022**

(USD per barrel and USD per million Btu)



Source: World Bank.

2.8. Unlike oil prices, natural gas prices often diverge strongly across regions due to a distribution infrastructure that is fixed in the short run. In April, the price of natural gas in the United States rose to USD 6.5 per million Btu, up 150% year-on-year. The average natural gas price in Europe actually fell to USD 32.2 per million Btu in April from USD 42.4 per million Btu in March, still extremely high by historical standards. Rising energy prices reduce real incomes, which dampens GDP growth and import demand.

2.9. Chart 2.3 shows the expected quarterly evolution of merchandise trade by region in volume terms from 2019 to 2023. Figures for 2022 and 2023 are projections. Exports from Asia should remain above pre-pandemic levels throughout the forecast period, although setbacks are possible as a result of recent COVID-19 outbreaks. In contrast, African exports should stay weak over the next two years, below their level in 2019. Other regions' exports should finish slightly above their pre-pandemic levels. Export growth in the Commonwealth of Independent States (CIS) is expected to remain positive since the Russian Federation was still able to sell fuel at the time of the forecast.

2.10. Import volumes should continue to grow through the end of 2023 in all regions except the CIS, where a steep decline is anticipated due to sanctions imposed in the wake of the conflict. The magnitude of the slump is difficult to gauge with precision, as outcomes will ultimately depend on whether or how the crisis is resolved.

**Chart 2.3 Volume of merchandise exports and imports by region, 2019Q1-2023Q4**

(Seasonally adjusted volume indices, 2019 = 100)



- a South and Central America and the Caribbean.
- b Commonwealth of Independent States, including certain associate and former member States.

Source: WTO Secretariat and UNCTAD.

2.11. Many countries are highly dependent on the Russian Federation and Ukraine for food, fuels and other essential goods. This is especially true for the Middle East and Africa, where the Russian Federation and Ukraine are dominant suppliers of wheat and other grains. This dependence is illustrated by Chart 2.4, which shows shares of imports from the Russian Federation and Ukraine in total imports of selected commodities by importing countries.

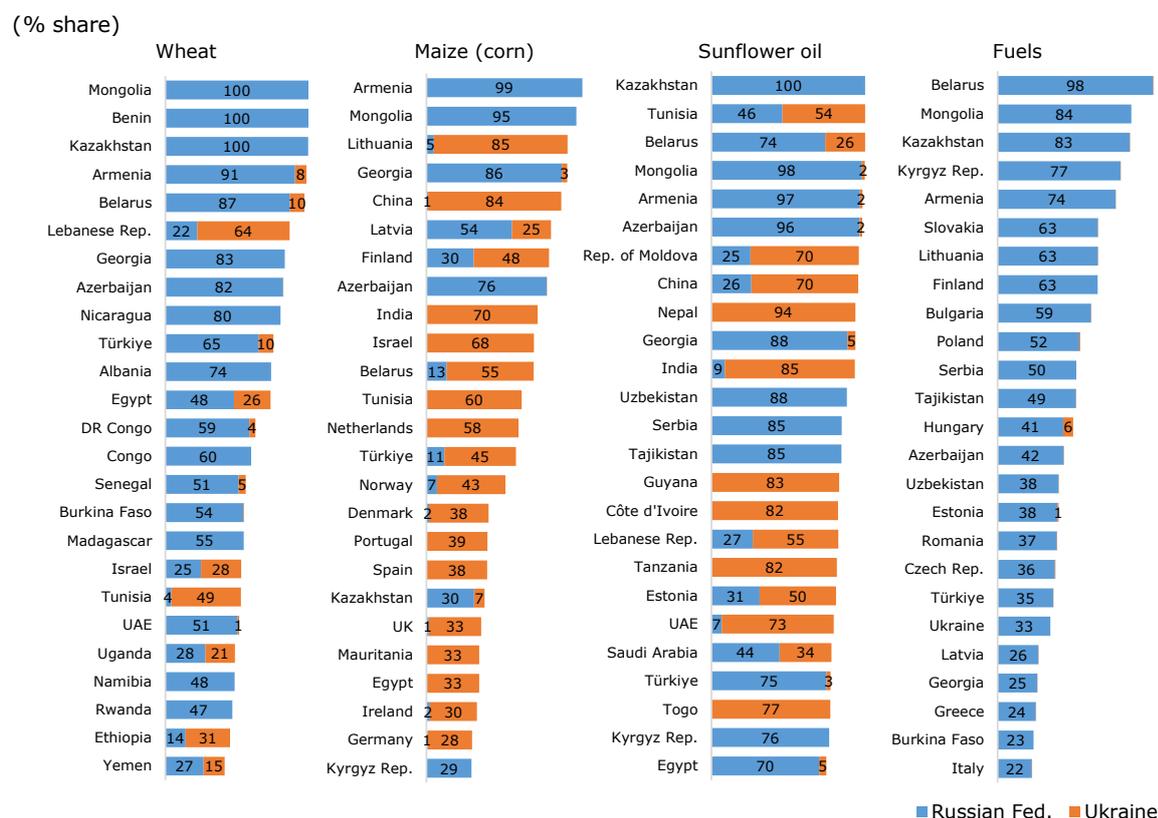
2.12. In 2019, wheat from the Russian Federation and Ukraine accounted for 87% of wheat imports in Lebanon, 73% in Egypt, 56% in Senegal and 49% in Uganda. Ukraine alone supplied 49% of Tunisia's wheat imports and 31% of Ethiopia's. Meanwhile, 100% of imported wheat in Mongolia, Benin, and Kazakhstan was sourced from the Russian Federation. Similarly high levels of import dependence are observed for maize (mostly used for animal feed), sunflower oil, and fuels.

2.13. The Russian Federation and Ukraine are also pivotal suppliers of key production inputs, including palladium, neon, steel, and fertilizer. Reduced supplies of these could disrupt manufacturing and reduce crop yields around the world. Even if countries do not import goods directly from the Russian Federation or Ukraine, many will still end up paying more as overall reduced supplies drive up commodity prices.

2.14. Despite such dominance of the Russian Federation and Ukraine in these markets, alternative suppliers exist that could fill gaps in certain markets. However, adaptation takes time, and

short-term supply disruptions could force poor countries to choose between paying high prices or doing without these products. The supply situation in these markets will need to be monitored closely in the coming weeks and months, particularly in light of the risk of a food emergency.

**Chart 2.4 Share of imports from the Russian Federation and Ukraine in total imports of selected commodities, 2019**



Source: WTO Secretariat calculations based on UN Comtrade database.

2.15. Forecasts for merchandise trade volume and real GDP at market exchange rates are summarized in Table 2.1. Annual data may differ slightly from quarterly figures for reasons of statistical methodology, but both show similar trajectories for trade. If the forecast for 2022 is realized, merchandise exports will grow 3.4% in North America, 2.9% in Europe, 4.9% in the CIS, 1.4% in Africa, and 11.0% in the Middle East. Weak export growth in Asia (2.0%) and stagnation in South America (-0.3%) may be explained by relatively strong performances in the previous year.

2.16. Merchandise import volumes in 2022 should increase by 3.9% in North America, 4.8% in South America, 3.7% in Europe, 2.5% in Africa, 11.7% in the Middle East and 2.0% in Asia. The CIS region is expected to see a steep 12% decline in imports, mostly due to the sanctions imposed on the Russian Federation.

**Table 2.1 Merchandise trade volume and real GDP, 2018-2023<sup>a</sup>**

(Annual % change)

	2018	2019	2020	2021	2022 <sup>a</sup>	2023 <sup>a</sup>
<b>Volume of world merchandise trade<sup>b</sup></b>	3.0	0.2	-5.0	9.8	3.0	3.4
<b>Exports</b>						
North America	3.8	0.3	-8.8	6.3	3.4	5.3
South America <sup>c</sup>	-0.9	-1.2	-4.6	6.8	-0.3	1.8
Europe	1.8	0.6	-7.8	7.9	2.9	2.7
CIS <sup>d</sup>	4.0	-0.3	-1.2	1.4	4.9	2.8
Africa	3.1	-0.3	-7.5	5.1	1.4	1.1

	2018	2019	2020	2021	2022 <sup>a</sup>	2023 <sup>a</sup>
Middle East	4.6	-1.9	-9.3	7.3	11.0	2.9
Asia	3.7	0.9	0.5	13.8	2.0	3.5
<b>Imports</b>						
North America	5.1	-0.6	-6.1	12.6	3.9	2.5
South America <sup>c</sup>	4.8	-1.7	-11.2	25.8	4.8	3.1
Europe	1.9	0.3	-7.3	8.1	3.7	3.3
CIS <sup>d</sup>	4.0	8.3	-5.5	10.7	-12.0	-5.2
Africa	5.4	3.0	-11.8	4.2	2.5	3.9
Middle East	-4.1	5.2	-9.8	5.3	11.7	6.2
Asia	5.0	-0.4	-1.0	11.1	2.0	4.5
<b>World GDP at market exchange rates</b>	3.2	2.5	-3.4	5.7	2.8	3.2
North America	2.8	2.1	-3.8	5.5	2.9	2.1
South America <sup>c</sup>	0.4	-0.5	-6.8	6.3	1.9	2.7
Europe	2.0	1.7	-5.9	5.8	2.3	2.5
CIS <sup>d</sup>	3.1	2.4	-2.5	4.6	-7.9	-0.1
Africa	3.2	3.0	-2.5	4.6	3.2	3.9
Middle East	0.9	0.4	-4.5	2.8	3.4	3.8
Asia	4.9	4.0	-0.9	6.1	3.8	4.7
<b>Memo: Least developed countries (LDCs)</b>						
Volume of merchandise exports	5.1	-0.2	-2.1	4.9	3.5	3.8
Volume of merchandise imports	5.0	2.7	-11.3	9.5	6.6	8.9
Real GDP at market exchange rates	4.6	5.0	0.5	1.3	3.7	5.8

a Figures for 2022 and 2023 are projections.

b Average of exports and imports.

c Refers to South and Central America and the Caribbean.

d Refers to Commonwealth of Independent States (CIS), including certain associate and former member States.

Note: These projections incorporate mixed-data sampling (MIDAS) techniques for selected countries to take advantage of higher-frequency data such as container throughput and financial risk indices.

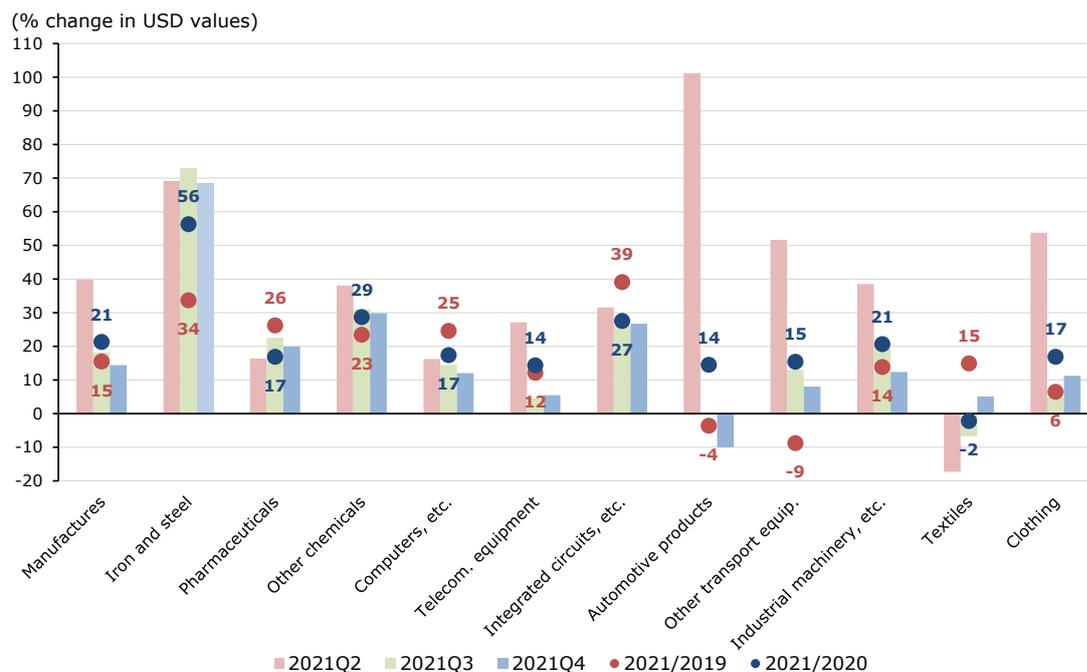
Source: WTO Secretariat for trade, consensus estimates for GDP.

## 2.2 Trade developments

2.17. Merchandise trade values grew faster than trade volumes in the second half of 2021 due to rising export and import prices as inflation became a global phenomenon. In Q3 and Q4, merchandise trade, as measured by the average of exports and imports, was up nearly 24% year-on-year in USD terms while seasonally adjusted merchandise trade volumes were up just 7.0%. Higher prices for primary commodities accounted for much of the difference, but not all. Over the same period, WTO monthly export and import price indices for manufactured goods jumped 8.6% on average. This may serve as a reasonable proxy for global inflation, excluding food and energy. The dollar value of world trade in fuels and mining products rose 81% in the second half of last year while agricultural products increased by 17% and manufactured goods rose by 14%.

2.18. Chart 2.5 below shows estimated year-on-year and 24-month growth rates for selected categories of manufactured goods in 2021. Quarterly developments show steady year-on-year growth in certain products (iron and steel, chemicals, integrated circuits) and weaker growth in others (clothing, machinery). Trade values for pharmaceuticals, computers and integrated circuits were actually higher in 2021 than they were before the pandemic, probably due to strong demand for COVID-19 vaccines and devices to facilitate remote working. In contrast, trade in automotive products was up 14% year-on-year in 2021, but down 4% compared to 2019.

**Chart 2.5 Year-on-year growth in manufactured goods trade, 2021**

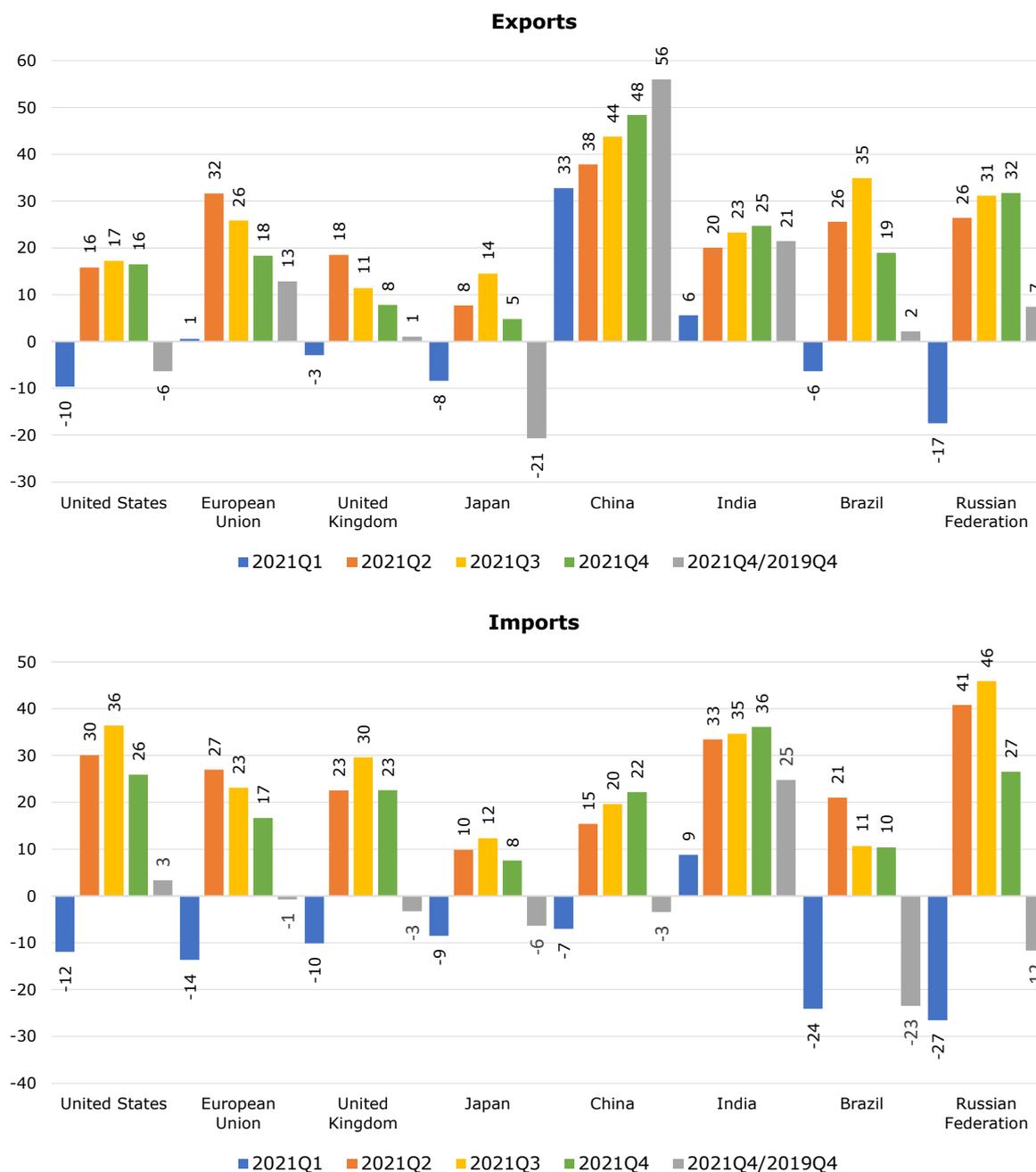


Source: WTO Secretariat estimates based on partner statistics.

2.19. Although aggregate statistics on world commercial services trade in the fourth quarter of 2021 have not been released yet, data for the largest traders are available. These are illustrated by Chart 2.6, which shows year-on-year growth in the USD value of commercial services exports and imports. All countries recorded positive year-on-year growth in the value of exports and imports in Q3 and Q4, including a 48% rise in exports of China in Q4. It is worth noting that the value of services exports in the fourth quarter of 2021 was down 6% in the United States and 21% in Japan compared to the same period in 2019. Meanwhile, services imports of Brazil and the Russian Federation did not recover their pre-pandemic levels last year, with declines of 23% and 12% respectively between 2019Q4 and 2021Q4.

**Chart 2.6 Commercial services exports and imports of selected economies, 2021Q1-2021Q4**

(% change in current USD values)



Source: WTO and UNCTAD.

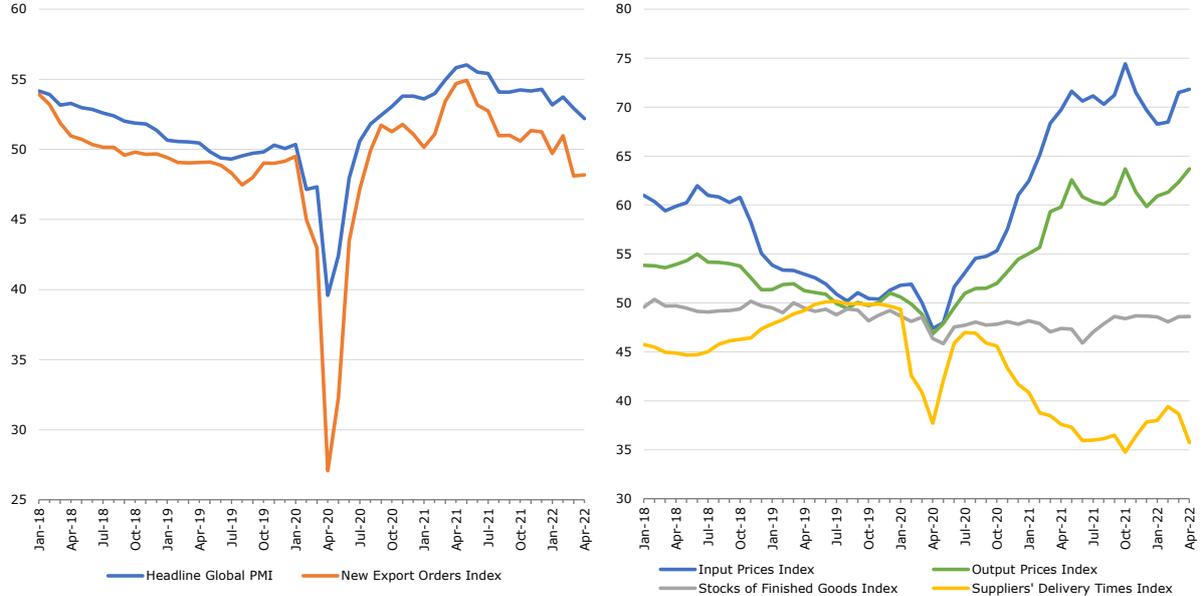
### 2.3 Trade-related indicators

2.20. Certain trade-related indicators may provide clues as to the state of world trade and global supply chains in the aftermath of the conflict. One such indicator is the Global Purchasing Managers Index (PMI) from S&P Global (Chart 2.7). Index values greater than 50 denote expansion while values less than 50 indicate contraction. An exception to this rule is the Suppliers' Delivery Times Index, where more negative values indicate longer delivery times. The headline PMI continued to signal growth in April, with a value of 52.2. However, the highly predictive New Export Orders component suggested that trade might contract, with values of 48.2 in April and 48.1 in March,

down from 51.0 in February. Renewed strains in supply chains are evident in the chart, as input and output prices rose and delivery times increased, thus erasing earlier gains.

**Chart 2.7 Global Manufacturing Purchasing Managers Index, January 2018-April 2022**

(Diffusion index, base=50)



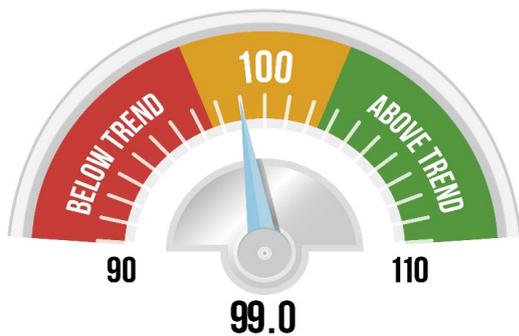
Source: S&P Global.

2.21. New export orders is one of six component indices in the WTO's Goods Trade Barometer, a composite leading indicator for world trade with a baseline value of 100 (Chart 2.8). As with the PMI, values above the baseline indicate expansion while values below point to contraction. In the latest release on 23 May, the trade barometer index remained flat and slightly below trend at 99.0. This result scales back optimism from the previous release in February, which suggested that trade could have been approaching an inflection point with stronger growth expected in the future. The anticipated upturn may have been interrupted by the war as well as COVID-19 lockdowns in China. The barometer probably would have risen above trend if it had not been weighed down by weak results in container shipping and air freight.

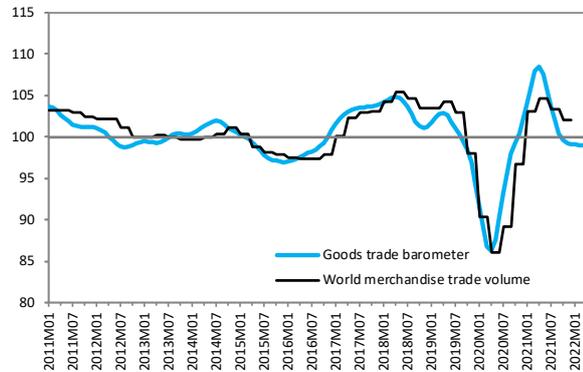
**Chart 2.8 WTO's Goods Trade Barometer**

**Goods trade barometer**

Index value, March 2022 = 99.0



Index history, trend = 100



Source: WTO Secretariat.

### 3 TRADE AND TRADE-RELATED POLICY DEVELOPMENTS

#### 3.1 Overview of trends identified during the review period

3.1. This Section provides analysis of selected trade and trade-related policy developments in the area of goods during the period from mid-October 2021 to mid-May 2022. It is divided into three parts. The first part looks at regular, i.e. non-COVID-related measures implemented during the review period, including calculations on trade coverage. The second part, in Section 3.1.2, covers measures taken in the context of the COVID-19 pandemic. Measures in the second part are not included in the trade coverage calculations and are not counted towards the aggregate numbers in part 1. The third part, in Section 3.1.3, provides an overview of trade-related developments in the context of the war in Ukraine.

3.2. A separate Addendum to this Report contains Annexes 1, 2 and 3 on recorded trade and trade-related goods measures taken by G20 economies from 16 October 2021 to 15 May 2022. This separate Addendum lists new regular (non-COVID-19-related) measures recorded for G20 economies during the review period.

##### 3.1.1 Regular trade measures

3.3. A total of 278 trade measures were recorded for the G20 economies during the review period (Chart 3.1).<sup>1</sup> This figure includes measures facilitating trade, trade remedy measures and other trade and trade-related measures, i.e. those that can be considered as trade-restrictive measures. It excludes measures taken in response to the COVID-19 pandemic. Chart 3.2 below illustrates the trade coverage of the measures recorded for the G20 economies during the review period.<sup>2</sup>

**Chart 3.1 G20 measures, mid-October 2021 to mid-May 2022**

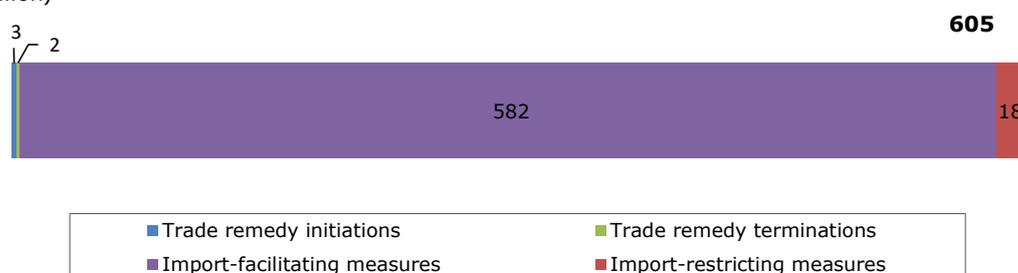
(Number)



Source: WTO Secretariat.

**Chart 3.2 Trade coverage of G20 measures, mid-October 2021 to mid-May 2022**

(USD billion)



Source: WTO Secretariat.

<sup>1</sup> See Annexes 1-3 in the separate Addendum. These Annexes do not include SPS and TBT measures, which are covered in Sections 3.3 and 3.4. Services measures are analysed in Section 4 and are listed in Annex 4.

<sup>2</sup> The trade coverage does not include trade for measures that have been implemented and terminated within the review period. Trade coverage estimates for the review period were based on 2020 imports.

## Measures facilitating trade

3.4. Annex 1 contained in the Addendum to this Report lists measures that are clearly trade-facilitating. During the review period, 97 new trade-facilitating measures were recorded for G20 economies (Table 3.1).<sup>3</sup> This represents 35% of the total number of measures recorded. The monthly average of almost 14 trade-facilitating measures recorded for the period is the highest recorded since 2012.

**Table 3.1 Measures facilitating trade (Annex 1)**

Type of measure	2014	2015	2016	2017	2018	2019	2020	2021	Mid-May 21 to mid-Oct 21 (5 months)	Mid-Oct 21 to mid-May 22 (7 months)
<b>Import</b>	<b>71</b>	<b>65</b>	<b>60</b>	<b>59</b>	<b>70</b>	<b>54</b>	<b>49</b>	<b>72</b>	<b>22</b>	<b>88</b>
- Tariff	58	55	52	48	62	51	43	63	20	74
- Customs procedures	9	7	6	9	4	1	2	4	2	2
- Tax	0	2	2	2	3	1	3	1	0	1
- QRs	4	1	0	0	1	1	1	3	0	9
- Other	0	0	0	0	0	0	0	1	0	2
<b>Export</b>	<b>5</b>	<b>19</b>	<b>12</b>	<b>18</b>	<b>8</b>	<b>5</b>	<b>4</b>	<b>8</b>	<b>2</b>	<b>9</b>
- Duties	2	10	5	1	5	4	3	3	2	5
- QRs	1	2	1	1	0	0	0	4	0	4
- Other	2	7	6	16	3	1	1	1	0	0
<b>Other</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>0</b>
<b>Total</b>	<b>77</b>	<b>86</b>	<b>74</b>	<b>77</b>	<b>78</b>	<b>60</b>	<b>54</b>	<b>81</b>	<b>25</b>	<b>97</b>
<i>Average per month</i>	6.4	7.2	6.2	6.4	6.5	5.0	4.5	6.8	5.0	13.9

Note: Revisions of the data reflect changes undertaken in the TMDB to fine-tune and update the available information.

Source: WTO Secretariat.

3.5. Table 3.1 above shows that, as for the previous periods, the reduction or elimination of import tariffs make up the bulk of trade-facilitating measures. This includes eight import-facilitating measures put in place in response to the conflict and the resulting geopolitical tensions. On the export side, measures included reductions of export duties and the elimination of quantitative restrictions.

**Table 3.2 Share of trade covered by import-facilitating measures**

(%)

	Mid-May to mid-Oct 17	Mid-Oct 17 to mid-May 18	Mid-May to mid-Oct 18	Mid-Oct 18 to mid-May 19	Mid-May to mid-Oct 19	Mid-Oct 19 to mid-May 20	Mid-May 20 to mid-Oct 20	Mid-Oct 20 to mid-May 21	Mid-May 21 to mid-Oct 21	Mid-Oct 21 to mid-May 22
<b>Share in G20 imports</b>	0.22	0.68	1.59	2.92	0.61	4.88	0.25	3.02	0.27	4.31
<b>Share in total world imports</b>	0.17	0.52	1.23	2.28	0.48	3.78	0.19	2.32	0.20	3.30

Source: WTO Secretariat and UN Comtrade database.

3.6. The trade coverage of the import-facilitating measures introduced during the review period was estimated at USD 581.5 billion, i.e. 4.31% of the value of G20 merchandise imports (3.30% of world

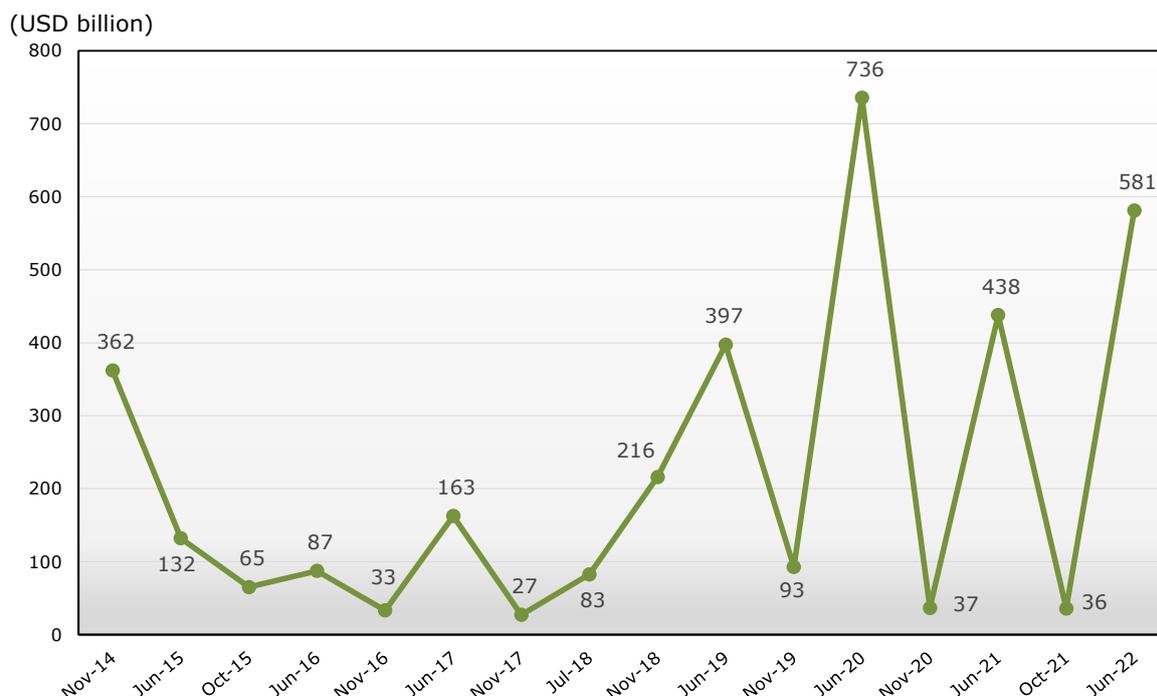
<sup>3</sup> This figure also includes measures taken in response to the conflict and terminations of restrictive measures that were implemented during the review period.

merchandise imports). This share is the second highest reported for these types of measures since November 2014 when calculations of trade coverage were initiated (Table 3.2 above and Chart 3.3).

3.7. Of the estimated USD 581.5 billion trade coverage of the import-facilitating measures, USD 28.7 billion, i.e. 0.21% of the value of G20 merchandise imports (0.16% of world imports), covers import-facilitating measures put in place in response to the Russian Federation-Ukraine conflict. This represents 5% of the total trade coverage of the import-facilitating measures.

3.8. The HS Chapters within which most of the trade-facilitating measures were taken include mineral fuels and oils (HS 27) (18.0%), electrical machinery and parts thereof (HS 85) (15.9%), machinery and mechanical appliances (HS 84) (12.7%), and organic chemicals (HS 29) (10.4%).

**Chart 3.3 Trade coverage of new import-facilitating measures identified in each period (not cumulative)**



Note: These figures are estimates and represent the trade coverage of the measures (i.e. annual imports of the products concerned from economies affected by the measures) introduced during each reporting period, and not the cumulative impact of the trade measures.

Source: WTO Secretariat.

### Trade remedy actions

3.9. During the period under review, 129 trade remedy actions were recorded for G20 economies (Annex 2), accounting for 46% of all trade-related measures recorded in this Report. After reaching its highest peak so far in 2020, the average number of trade remedy initiations during the review period was down to 8.7 per month (Table 3.3 and Chart 3.4), the lowest since 2012. The monthly average of 9.6 trade remedy terminations recorded is the second lowest recorded since 2017.

**Table 3.3 Trade remedy actions (Annex 2)**

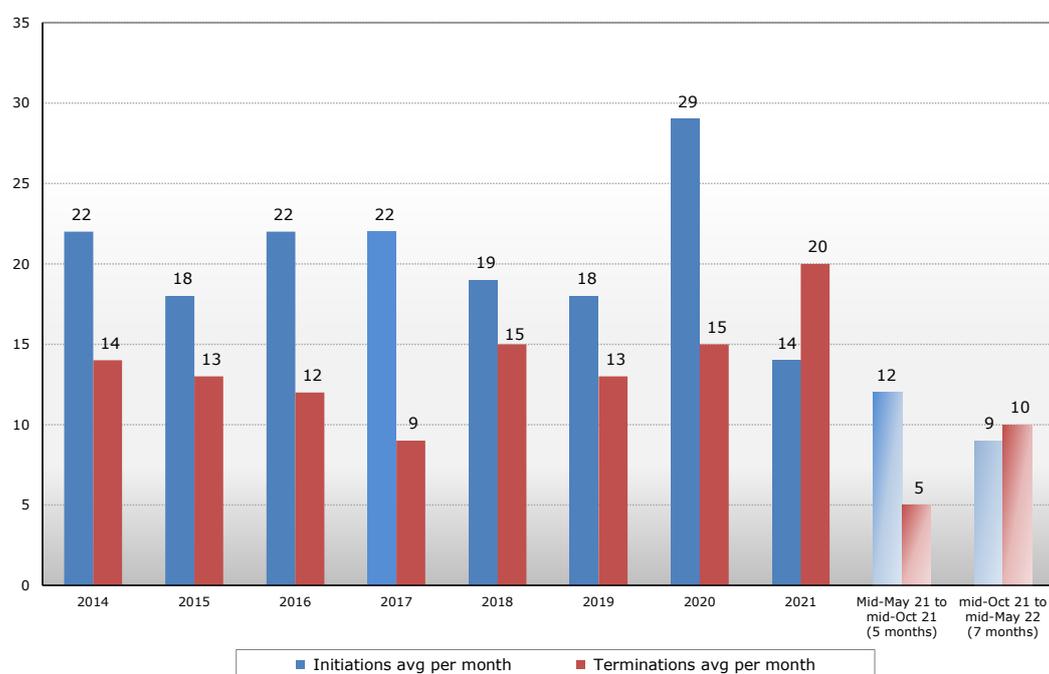
Type of Measure	2014	2015	2016	2017	2018	2019	2020	2021	Mid-May to mid-Oct 21 (5 months)	Mid-Oct 21 to mid-May 22 (7 months)
<b>Initiations</b>	<b>258</b>	<b>210</b>	<b>262</b>	<b>258</b>	<b>223</b>	<b>221</b>	<b>343</b>	<b>167</b>	<b>60</b>	<b>61</b>
- AD	208	175	226	213	168	174	279	148	55	53
- CVD	37	31	30	39	47	35	55	18	4	7
- SG <sup>a</sup>	13	4	6	6	8	12	9	1	1	1
<i>Average per month</i>	<i>21.5</i>	<i>17.5</i>	<i>21.8</i>	<i>21.5</i>	<i>18.6</i>	<i>18.4</i>	<i>28.6</i>	<i>13.9</i>	<i>12.0</i>	<i>8.7</i>
<b>Terminations</b>	<b>171</b>	<b>151</b>	<b>142</b>	<b>113</b>	<b>185</b>	<b>154</b>	<b>177</b>	<b>245</b>	<b>27</b>	<b>67</b>
- AD	144	122	120	93	165	143	163	213	22	60
- CVD	21	19	15	10	20	6	11	21	2	7
- SG <sup>a</sup>	6	10	7	10	0	5	3	11	3	0
<i>Average per month</i>	<i>14.3</i>	<i>12.6</i>	<i>11.8</i>	<i>9.4</i>	<i>15.4</i>	<i>12.8</i>	<i>14.8</i>	<i>20.4</i>	<i>5.4</i>	<i>9.6</i>

Note: The information on trade remedy actions for 2014 to 2021 is based on the semi-annual notifications. For the present review period, the information is also based on the responses and the verifications received directly from Members.

a The figure for a specific year is the sum of the following: (i) all ongoing investigations terminated during the course of that specific year without any measure; and (ii) all imposed measures expired during the course of that specific year.

Source: WTO Secretariat.

**Chart 3.4 G20 trade remedy initiations and terminations**



Note: Values are rounded.

Source: WTO Secretariat.

3.10. The trade coverage of all trade remedy investigations initiated during the review period was USD 2.8 billion, i.e. 0.02% of the value of G20 merchandise imports (0.02% of world imports) (Table 3.4). For terminations, the trade coverage was valued at USD 2.0 billion (0.015% of the value of G20 merchandise imports and 0.011% of world imports).

3.11. Trade remedy actions taken during the review period, in terms of trade coverage, included mainly initiations of investigations on miscellaneous chemical products (HS 38) (23.9%), ceramic products (HS 69) (17.3%), plastics and articles thereof (HS 39) (10.6%) and articles of iron and steel (HS 73) (10.3%).

**Table 3.4 Share of trade covered by trade remedy initiations**

(%)

	Mid-May to mid-Oct 17	Mid-Oct 17 to mid-May 18	Mid-May to mid-Oct 18	Mid-Oct 18 to mid-May 19	Mid-May to mid-Oct 19	Mid-Oct 19 to mid-May 20	Mid-May to mid-Oct 20	Mid-Oct 20 to mid-May 21	Mid-May to mid-Oct 21	Mid-Oct 21 to mid-May 22
<b>Share in G20 imports</b>	0.24	0.43	0.18	0.14	0.11	0.16	0.23	0.11	0.08	0.02
<b>Share in total world imports</b>	0.19	0.33	0.14	0.11	0.09	0.13	0.18	0.08	0.06	0.02

Note: Values are rounded.

Source: WTO Secretariat and UN Comtrade database.

### Other trade and trade-related measures

3.12. Annex 3 of the Addendum to this Report lists measures that may be considered to have a trade-restrictive effect. A total of 53 new trade-restrictive measures were recorded for G20 economies, mostly increases of import tariffs, followed by a significant increase in the imposition of quantitative restrictions, especially on exports. The 35 restrictive measures on exports recorded during the review period included mostly the imposition of quantitative restrictions, followed by increases of export duties. This includes 14 export-restrictive measures put in place in response to the conflict and the resulting geopolitical tensions. The monthly average of 7.6 trade-restrictive measures is the highest since 2015 (Table 3.5).

**Table 3.5 Other trade and trade-related measures (Annex 3)**

Type of measure	2014	2015	2016	2017	2018	2019	2020	2021	Mid-May to mid-Oct 21 (5 months)	Mid-Oct 21 to mid-May 22 (7 months)
<b>Import</b>	<b>44</b>	<b>61</b>	<b>41</b>	<b>36</b>	<b>60</b>	<b>45</b>	<b>39</b>	<b>30</b>	<b>5</b>	<b>18</b>
- Tariffs	29	36	24	20	46	27	19	11	2	10
- Customs procedures	12	19	13	12	2	4	6	14	3	1
- Taxes	2	3	2	1	3	3	2	0	0	0
- QRs	1	3	2	2	8	9	7	3	0	7
- Other	0	0	0	1	1	2	5	2	0	0
<b>Export</b>	<b>14</b>	<b>23</b>	<b>6</b>	<b>11</b>	<b>10</b>	<b>8</b>	<b>18</b>	<b>40</b>	<b>6</b>	<b>35</b>
- Duties	4	5	1	3	6	1	3	4	1	5
- QRs	5	4	1	4	2	2	5	12	3	23
- Other	5	14	4	4	2	5	10	24	2	7
<b>Other</b>	<b>9</b>	<b>7</b>	<b>8</b>	<b>12</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>5</b>	<b>3</b>	<b>0</b>
- Local content	9	7	5	10	0	0	0	4	2	0
- Other	0	0	3	2	0	1	0	1	1	0
<b>Total</b>	<b>67</b>	<b>91</b>	<b>55</b>	<b>59</b>	<b>70</b>	<b>54</b>	<b>57</b>	<b>75</b>	<b>14</b>	<b>53</b>
<i>Average per month</i>	5.6	7.6	4.6	4.9	5.8	4.5	4.8	6.3	2.8	7.6

Note: Revisions of the data reflect changes undertaken in the TMDB to fine-tune and update the available information.

Source: WTO Secretariat.

3.13. The trade coverage of the trade-restrictive measures affecting imports implemented during the review period was estimated at USD 18.2 billion, i.e. 0.14% of the value of G20 merchandise imports (0.10% of world imports) (Table 3.6 and Chart 3.5). This is the third-lowest trade coverage of the import-restrictive measures since 2012.

3.14. The measures recorded in Annex 3 cover a range of products. The main sectors affected (HS Chapters), in terms of trade coverage, were iron and steel (HS 72) (50.8%); aluminium and articles thereof (HS 76) (30.8%); articles of iron and steel (HS 73) (13.1%); and edible fruits and nuts (HS 07) (1.8%).

**Table 3.6 Share of trade covered by import-restrictive measures (Annex 3)**

(%)

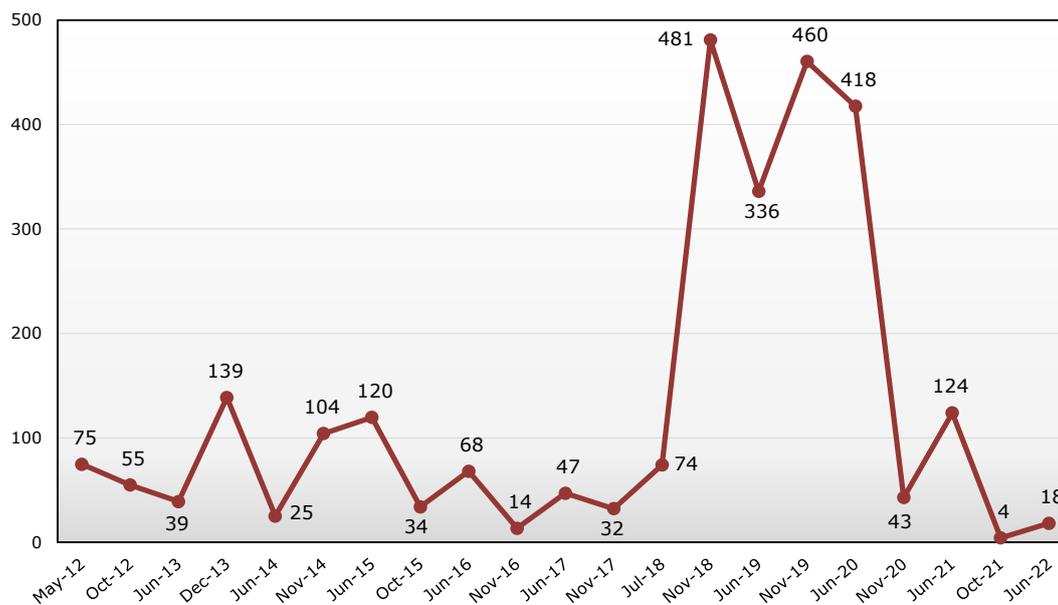
	Mid-Oct 16 to mid-May 17	Mid-May to mid-Oct 17	Mid-Oct 17 to mid-May 18	Mid-May to mid-Oct 18	Mid-Oct 18 to mid-May 19	Mid-May to mid-Oct 19	Mid-Oct 19 to mid-May 20	Mid-May to mid-Oct 20	Mid-Oct 20 to mid-May 21	Mid-May to mid-Oct 21	Mid-Oct 21 to mid-May 22
<b>Share in G20 imports</b>	0.37	0.26	0.61	3.53	2.47	3.05	2.77	0.29	0.85	0.03	0.14
<b>Share in total world imports</b>	0.29	0.2	0.47	2.73	1.93	2.36	2.14	0.23	0.66	0.02	0.10

Note: Estimates based on 2020 imports.

Source: WTO Secretariat and UN Comtrade database.

**Chart 3.5 Trade coverage of new import-restrictive measures identified in each period (not cumulative)**

(USD billion)



Source: WTO Secretariat.

### Stockpile of import-restrictive measures

3.15. Accurately estimating the roll-back of import-restrictive measures, and eventually the overall stockpile, is made complex by the fact that many temporary measures remain in place beyond the envisaged termination date. Moreover, the Secretariat does not always receive accurate information on changes to reported measures. As a result, the figures below are estimates based on the

information recorded in the TMDb since 2009. These estimates are conditioned by the availability of termination dates of the import-restrictive measures and of the HS codes of products covered.<sup>4</sup>

3.16. Table 3.7 and Chart 3.6 show that the stockpile of G20 import restrictions in force has grown steadily (and in fact since 2009) – in value terms and as a percentage of world imports – and that a significant increase in both took place from 2017 to 2018. This specific jump is largely explained by measures introduced on steel and aluminium, and by various tariff increases introduced as part of bilateral trade tensions. Global imports decreased substantially in 2020 compared to 2019. The decline was also reflected in G20 total imports and in the value of the G20 import restrictions in force. Global trade grew again in 2021, due to rising export and import prices as inflation became a global phenomenon. At the end of 2021, it is estimated that some 10.9% of G20 imports continue to be affected by import restrictions implemented by G20 economies since 2009 and which are still in force. The trade coverage for G20 terminations of import restrictions remains negligible.

**Table 3.7 Cumulative trade coverage of G20 import-restrictive trade-related measures, 2011-21**

(USD billion, unless otherwise indicated)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 <sup>a</sup>
<b>Total imports (world)</b>	<b>18,109</b>	<b>18,193</b>	<b>18,483</b>	<b>18,654</b>	<b>16,360</b>	<b>15,812</b>	<b>17,587</b>	<b>19,402</b>	<b>18,883</b>	<b>17,625</b>	<b>22,001</b>
<b>Total imports (G20)</b>	<b>14,263</b>	<b>14,143</b>	<b>14,340</b>	<b>14,451</b>	<b>12,561</b>	<b>12,228</b>	<b>13,615</b>	<b>15,064</b>	<b>14,522</b>	<b>13,482</b>	<b>16,581</b>
<b>Total G20 import restrictions in force</b>	<b>215</b>	<b>226</b>	<b>369</b>	<b>419</b>	<b>501</b>	<b>507</b>	<b>724</b>	<b>1,328</b>	<b>1,518</b>	<b>1,396</b>	<b>1,802</b>
Share in G20 imports (%)	1.5	1.6	2.57	2.9	3.99	4.15	5.32	8.81	10.45	10.35	10.87
Share in world imports (%)	1.19	1.24	2	2.24	3.06	3.21	4.12	6.84	8.04	7.92	8.19
<b>Total G20 import restrictions terminated</b>	<b>13.73</b>	<b>58.67</b>	<b>36.53</b>	<b>32.69</b>	<b>0.19</b>	<b>0.02</b>	<b>3.88</b>	<b>5.44</b>	<b>13.12</b>	<b>n.a.</b>	<b>n.a.</b>
Share in G20 imports (%)	0.1	0.41	0.25	0.23	0.001	0.0001	0.03	0.04	0.09	n.a.	n.a.
Share in world imports (%)	0.08	0.32	0.2	0.18	0.001	0.0001	0.02	0.03	0.07	n.a.	n.a.

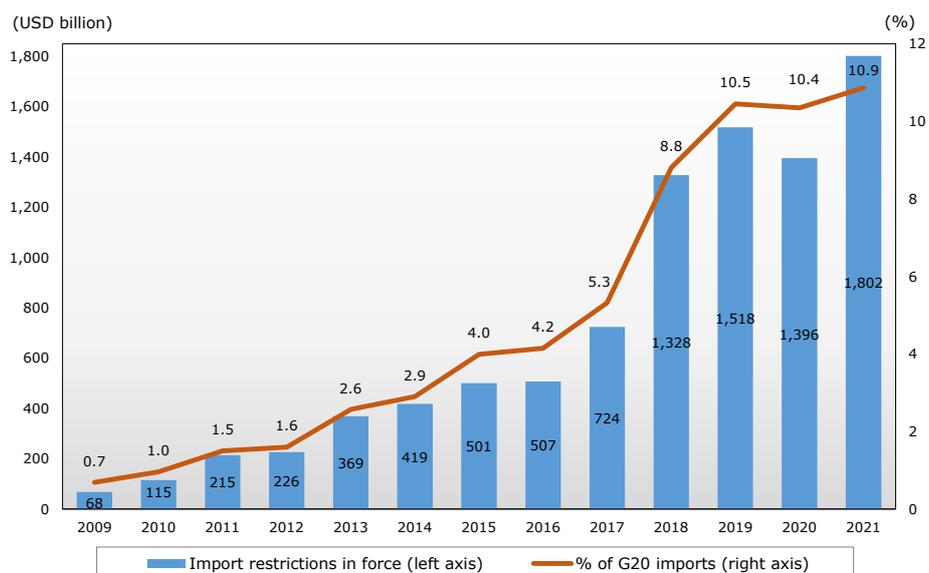
a 2021 figures are provisional.

n.a. Not applicable.

Source: WTO Secretariat calculations, based on UN Comtrade database and data provided by the authorities.

<sup>4</sup> Only import measures where HS codes were available are included in the calculation.

**Chart 3.6 Cumulative trade coverage of G20 import-restrictive measures on goods in force since 2009**



Note: The cumulative trade coverage estimated by the Secretariat is based on information available in the TMDB on import measures recorded since 2009 and considered to have a trade-restrictive effect. The estimates include import measures for which HS codes were available. The figures do not include trade remedy measures. The import values were sourced from the UN Comtrade database.

Source: WTO Secretariat.

### 3.1.2 COVID-19 trade and trade-related measures

3.17. Overall, since the outbreak of the pandemic, 156 trade and trade-related measures in the area of goods have been implemented by G20 economies (Table 3.8)<sup>5</sup>, of which 113 (72%) were of a trade-facilitating nature and 43 (28%) could be considered trade restrictive. Export restrictions account for 93% of all restrictive measures recorded. According to the information either identified by the Secretariat or received from delegations and subsequently verified, some 53% of export restrictions have been phased out, meaning that 19 G20 export restrictions are still in place (Charts 3.7 and 3.8).

3.18. During the review period, 12 COVID-19 measures on goods were communicated and verified by 6 G20 economies (Australia, Brazil, Canada, India, Kingdom of Saudi Arabia, and United Kingdom), mainly consisting of amendments of existing measures originally implemented in the early stages of the pandemic, or termination of others. Out of these, 6 were import measures and 6 export measures. Two COVID-19 measures were terminated during the review period and another 2 are expected to be terminated before the end of the year.

**Table 3.8 COVID-19 trade and trade-related measures since the outbreak**

	Facilitating	Phased out	Restrictive	Phased out	Total
<b>Import</b>	67	16	1	0	68
<b>Export</b>	34	3	40	21	74
<b>Other</b>	12	2	2	1	14
<b>Total</b>	<b>113</b>	<b>21</b>	<b>43</b>	<b>22</b>	<b>156</b>

Source: WTO Secretariat.

3.19. According to preliminary estimates by the WTO Secretariat, the trade coverage of the COVID-19 trade-facilitating measures implemented since the outbreak of the pandemic amounted

<sup>5</sup> Measures implemented in the context of the pandemic until mid-October 2021 can be viewed at: [https://www.wto.org/english/tratop\\_e/covid19\\_e/covid19\\_e.htm](https://www.wto.org/english/tratop_e/covid19_e/covid19_e.htm).

to USD 276.4 billion, and the trade coverage of trade-restrictive measures was estimated at USD 146.5 billion.<sup>6</sup>

3.20. Table 3.8 shows that the reduction or elimination of import tariffs and import taxes make up 60% of trade-facilitating measures taken. Certain G20 economies reduced their tariffs on a variety of goods such as PPE, sanitizers, disinfectants, medical equipment, and medicine/drugs. In many cases, tariff reductions were also accompanied by exemptions from VAT and other taxes. Extensions, often more than once, of some measures were implemented, while other measures have simply remained in force. It is worth noting that most G20 economies have extended many trade-facilitating measures originally introduced in immediate response to the pandemic.

3.21. G20 economies continue their gradual lifting of export restrictions targeting products such as surgical masks, gloves, medicine, disinfectant, and food products. Other trade and trade-related measures taken in the early stages of the pandemic are also being rolled back. According to preliminary estimates by the WTO Secretariat, the trade coverage of the restrictive measures implemented in response to the pandemic, but which have been repealed, amounted to USD 50.8 billion.<sup>7</sup> Fifty-three percent of the 40 export-restrictive measures implemented by G20 economies had been repealed by mid-May 2022.

3.22. G20 economies have also been repealing facilitating measures implemented in response to the pandemic. Around 19% of COVID-19-related facilitating measures by G20 economies have been terminated. According to preliminary estimates by the WTO Secretariat, the trade coverage of the trade-facilitating measures that have been terminated amounted to USD 164.6 billion.<sup>8</sup>

3.23. Chart 3.8 shows the trade coverage of pandemic-related trade-facilitating and trade-restrictive measures in force and phased out since the beginning of the pandemic.

**Chart 3.7 G20 COVID-19 trade and trade-related measures, by mid-May 2022**

(Number)



Source: WTO Secretariat.

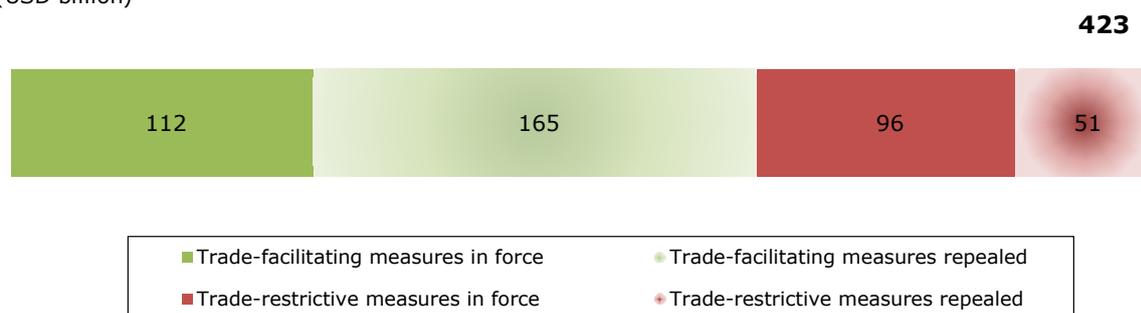
<sup>6</sup> Including imports and exports and based on annual 2020 trade figures, except for the Russian Federation and the Kingdom of Saudi Arabia.

<sup>7</sup> Including imports and exports and based on annual 2020 trade figures, except for the Russian Federation and the Kingdom of Saudi Arabia.

<sup>8</sup> Including imports and exports and based on annual 2020 trade figures, except for the Russian Federation and the Kingdom of Saudi Arabia.

**Chart 3.8 Trade coverage of G20 COVID-19 trade and trade-related measures, by mid-May 2022**

(USD billion)



Note: Values are rounded.

Source: WTO Secretariat.

### 3.1.3 Developments in the context of the war in Ukraine

3.24. The onset of the war in Ukraine, occurring roughly in the middle of the review period covered by this Trade Monitoring Report, was arguably a key development that impacted the world economy and trade flows during this period.

3.25. In the weeks and months following the start of the conflict, hundreds of sanctions<sup>9</sup> were imposed on the Russian Federation. Sanctions were also imposed on Belarus. The overwhelming majority of these measures were not specifically trade-related, and applied to the financial, military, civil aviation, and energy sectors, as well as to specific entities and individuals. Significantly, sanctions were generally announced and implemented with specific reference to security considerations. Any coverage of, or reference to, these sanctions in this Report do not question the right of WTO Members to take such measures or the compatibility of such measures with WTO Agreements. Several countermeasures were implemented by the Russian Federation in response to these sanctions.

3.26. In the immediate aftermath of the onset of the war, many delegations enquired about how the Secretariat would cover conflict-related developments, particularly to provide transparency around trade and trade-related measures taken in the context of, or in response to the conflict. In a communication sent to delegations on 24 March, Members were invited to provide such information on a voluntary basis. This was in line with the approach taken in response to the COVID-19 pandemic.

3.27. During the verification process, specific trade-related measures taken in the context of the conflict were sent to those Members for whom information on sanctions or other trade-related measures had been identified from various public sources. Verification of these measures were sought while making it clear that this was done to ensure that the information was based on accurate and official sources.<sup>10</sup>

3.28. The following attempts to provide a factual overview of developments with respect to trade and trade-related measures implemented in the context of the conflict.

#### Trade sanctions

3.29. During the review period, and since 24 February, the Secretariat identified some 43 specific trade and trade-related sanctions imposed by nine G20 economies on the Russian Federation in the area of trade in goods. These measures do not include individual travel bans or asset freezes.

<sup>9</sup> See the reference to several trackers, including Peterson Institute for International Economics (viewed at: <https://www.piie.com/blogs/realtime-economic-issues-watch/russias-war-ukraine-sanctions-timeline>) and Ashurst (viewed at: <https://www.ashurst.com/en/news-and-insights/hubs/sanctions-tracker/>).

<sup>10</sup> Several Members expressed concerns about the listing of sanctions in the Report. The WTO Secretariat reiterated that trade-related sanctions would not be listed and that no attribution of these would be made in the Report.

Overviews of developments in services and intellectual property are included in Sections 4 and 5 of this Report.

3.30. The trade and trade-related sanctions on goods covered import and export measures, including broad measures such as the revocation by some of MFN status of the Russian Federation. Others included tariff increases on imports from the Russian Federation and other product- or sector-specific restrictions. Import measures involved restrictions on energy, metals, chemicals, and fertilizers, while export restrictions included dual-use technologies, information technology and luxury products. Some of these measures were also notified to the WTO.

### **Other trade and trade-related measures in response to the conflict**

3.31. The Secretariat has identified 14 export-restrictive measures by five G20 economies put in place during the review period in response to the conflict.

3.32. Export-restrictive measures included quotas, temporary bans or technical and administrative requirements limiting exports (or re-exports) of a wide range of agricultural commodities such as wheat, cereals, sunflower seeds, and sunflower oil as well as other vegetable oils, soybean products, sugar and flour. Other products subject to export restrictions included various fuel products and fertilizers.

3.33. Eight import-facilitating measures by ten G20 members were identified by the Secretariat during the review period in response to the conflict.

3.34. Import measures included the reduction and/or elimination of import tariffs and other duties as well as removal of import quotas on various agricultural commodities (including wheat, rice, flour, edible oils, cereals, and meats) and on fuel products. Five G20 economies suspended tariffs on all imports from Ukraine.

3.35. According to the Secretariat's preliminary estimates and based on the available information, the trade coverage of the export-restrictive measures taken by G20 economies in response to the conflict was estimated at USD 52.2 billion. That of the import-facilitating measures was estimated at USD 28.7 billion. It is difficult to estimate precisely the trade coverage of these measures given the lack of many HS codes and the absence of accurate information on the implementation dates and official sources.

3.36. General economic support measures related to the conflict are covered in Section 3.7 of this Report.

## **3.2 Trade remedies<sup>11</sup>**

3.37. This Section provides an assessment of trends in the use of trade remedies by G20 economies during the following periods: January-June 2020, July-December 2020, January-June 2021 and July-December 2021.<sup>12</sup>

### **Anti-dumping measures<sup>13</sup>**

3.38. The most recent data (July-December 2021) show a decrease of 37% in the number of anti-dumping investigations initiated by G20 economies compared to the previous six-month period (January-June 2021). On a 12-month basis, the number of initiations decreased to 148 in 2021 from 279 in 2020 (Table 3.9).

3.39. While anti-dumping investigations do not necessarily lead to the application of measures, an increase or decrease in the number of investigations initiated is an early indicator of a likely increase

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<sup>11</sup> This Section is without prejudice to the right of Members to take trade remedy actions.

<sup>12</sup> These periods coincide with the periods covered by Members' semi-annual reports of anti-dumping and countervailing actions.

<sup>13</sup> Anti-dumping and countervailing investigations are counted on the basis of the number "(n)" of exporting countries or customs territories affected by an investigation. Thus, one anti-dumping or countervailing investigation involving imports from (n) countries or customs territories is counted as (n) investigations.

or decrease in the number of measures applied. Over the 24 months reviewed in this Section, 306 anti-dumping measures were applied by G20 economies (Table 3.9). However, as it can take up to 18 months for an anti-dumping investigation to be concluded, these measures may not necessarily be the result of initiations in the same period.

**Table 3.9 G20 initiations of anti-dumping investigations and measures applied**

(Number)

G20 member	Jan-June 2020		July-Dec 2020		Jan-June 2021		July-Dec 2021	
	Initiations	Measures	Initiations	Measures	Initiations	Measures	Initiations	Measures
Argentina	4	4	2	7	6	6	9	4
Australia	15	0	3	0	6	2	0	6
Brazil	3	0	6	0	7	3	4	3
Canada	6	3	18	2	5	15	1	5
China	0	1	4	8	0	20	0	0
European Union <sup>a</sup>	2	3	10	5	5	1	5	10
India	57	6	35	6	25	26	4	23
Indonesia	2	0	0	0	0	0	0	0
Japan	1	0	0	1	2	1	0	0
Korea, Republic of	0	0	3	1	4	0	3	3
Mexico	4	0	3	4	0	2	4	4
Russian Federation <sup>b</sup>	2	3	2	2	2	3	0	1
Saudi Arabia <sup>c</sup>	1	2	0	0	3	1	6	0
South Africa <sup>d</sup>	0	3	4	0	6	0	7	0
Türkiye	2	0	1	2	8	0	1	1
United Kingdom <sup>e</sup>	n.a. <sup>f</sup>	n.a. <sup>f</sup>	0	0	1	0	0	0
United States	58	12	31	9	11	50	13	32
<b>Total</b>	<b>157</b>	<b>37</b>	<b>122</b>	<b>47</b>	<b>91</b>	<b>130</b>	<b>57</b>	<b>92</b>

n.a. Not applicable.

a The European Union is counted as one (28 member States until 31 January 2020).

b Notified by the Russian Federation, but investigations are initiated by the Eurasian Economic Union (EAEU) on behalf of all of its members, i.e. Armenia, Kyrgyz Republic, Kazakhstan, and Belarus (non-WTO Member) collectively.

c Notified by all Gulf Cooperation Council (GCC) member States collectively, as investigations are initiated by the GCC regional investigating authority on behalf of all GCC member States.

d Notified by South Africa, but investigations are initiated at the level of the Southern African Customs Union (SACU), i.e. also in respect of Botswana, Eswatini, Lesotho and Namibia.

e The United Kingdom withdrew from the European Union as of 1 February 2020. The European Union and the United Kingdom communicated that during the transition period, which ended on 31 December 2020, European Union law, with a few limited exceptions, continued to be applicable to and in the United Kingdom. See WTO documents WT/LET/1462, 29 January 2020; and WT/GC/206, 1 February 2020.

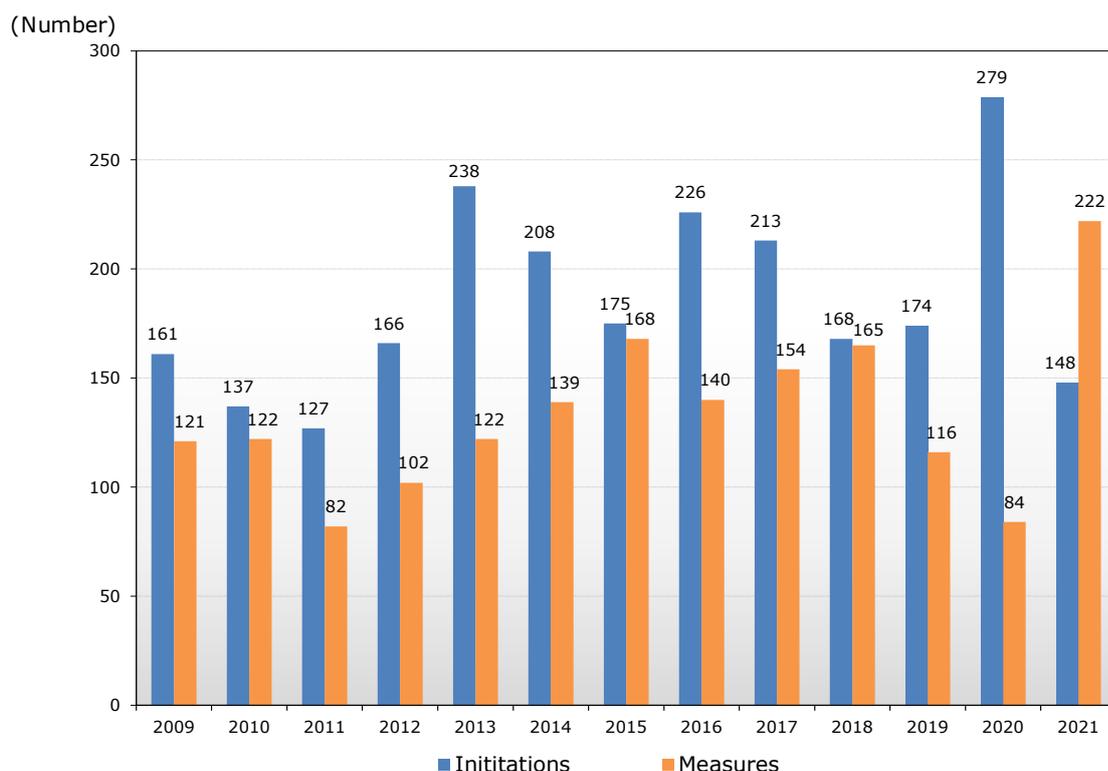
f Member State of the European Union during the period in question.

Source: WTO Secretariat.

3.40. In terms of products affected by initiations of anti-dumping investigations, while in the first two periods examined most initiations focused on products in the metals, chemicals, and plastics and rubber sectors, in the third period examined, investigations were also initiated with respect to the animal products and machinery sectors. In the most recent period, the concentration on the metals, chemicals, and plastics and rubber sectors recurred.

3.41. Chart 3.9 provides an overview of anti-dumping activities of G20 economies since the first monitoring report was circulated in September 2009.

**Chart 3.9 G20 anti-dumping investigations and measures applied, 2009-21**



Source: WTO Secretariat.

3.42. As of 16 May 2022, only two G20 economies had notified anti-dumping actions referring to the COVID-19 pandemic. In this regard, both Brazil and Argentina suspended anti-dumping duties on syringes.

3.43. In addition, as of 16 May 2022 no G20 member had notified any anti-dumping action in the context of the war in Ukraine.

### Countervailing measures

3.44. The most recent data (July-December 2021) show a significant decrease in the number of countervailing duty investigations initiated by G20 members compared to the previous six-month period (January-June 2021). On a 12-month basis, the number of initiations decreased to 18 in 2021 from 55 in 2020 (Table 3.10).

3.45. Over the 24 months of the review period, 63 countervailing measures were applied by G20 economies. However, as it can take up to 18 months for a countervailing investigation to be concluded, these measures may not necessarily be the result of initiations in the same period.

**Table 3.10 G20 initiations of countervailing investigations and measures applied**

(Number)

G20 member	Jan-June 2020		July-Dec 2020		Jan-June 2021		July-Dec 2021	
	Initiations	Measures	Initiations	Measures	Initiations	Measures	Initiations	Measures
Australia	6	0	1	0	1	0	0	2
Brazil	0	0	0	0	2	0	0	0
Canada	1	0	3	1	1	1	0	3
China	0	1	4	1	0	1	0	0
European Union <sup>a</sup>	1	3	2	0	2	0	1	1
India	2	4	5	0	0	1	0	1

G20 member	Jan-June 2020		July-Dec 2020		Jan-June 2021		July-Dec 2021	
	Initiations	Measures	Initiations	Measures	Initiations	Measures	Initiations	Measures
United States	17	8	13	5	6	20	5	10
<b>Total</b>	<b>27</b>	<b>16</b>	<b>28</b>	<b>7</b>	<b>12</b>	<b>23</b>	<b>6</b>	<b>17</b>

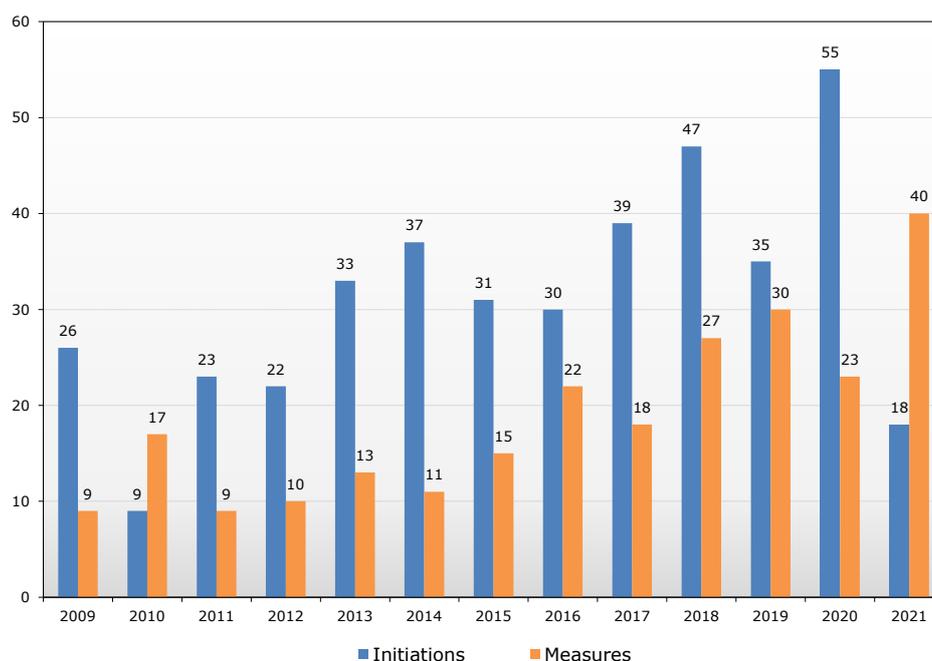
a The European Union is counted as one (28 member States until 31 January 2020).

Source: WTO Secretariat.

3.46. Since the first Trade Monitoring Report in 2009, the number of countervailing investigations has fluctuated with an increasing trend, and reached its peak in 2020 (Chart 3.10).

**Chart 3.10 Countervailing investigations and measures applied, 2009-21**

(Number)



Source: WTO Secretariat.

3.47. Various sectors were targeted by countervailing investigations, with metal products accounting for 39 of the 73 initiations by G20 members over the 24 months examined. Twenty-four of these investigations concerned steel products. Over the 24 months examined, the chemicals and plastics sectors accounted for the second- and third-largest numbers of investigations, with 9 and 7 initiations, respectively.

3.48. As of 16 May 2022, no G20 member had notified to the WTO any countervailing duty action referring to the COVID-19 pandemic.

3.49. In addition, as of 16 May 2022 no G20 member had notified any countervailing duty action in the context of the war in Ukraine.

### Anti-dumping and countervailing measures by trading partner

3.50. Between 2008 and 2021, G20 initiations of anti-dumping and countervailing measures combined involving products from other G20 economies accounted for approximately 70% of total initiations. Initiations on products from other G20 members accounted for between 53% and 100% of each individual G20 member's total initiations. China remained the most frequent subject exporter of initiations reported during this period, accounting for 28% of all initiations. The second most subject exporter during this period, the Republic of Korea, accounted for 6% of total initiations.

## Safeguard measures

3.51. Safeguard measures are temporary measures applied in response to increased imports of goods that are causing serious injury, and are applied on products from all sources, i.e. all exporting countries/customs territories.<sup>14</sup> Safeguard measures are subject to different rules and timelines than anti-dumping and countervailing measures and are, therefore, not directly comparable to these other types of trade remedies.

3.52. Table 3.11 shows the Members that initiated investigations and applied safeguard measures.

**Table 3.11 G20 initiations of safeguard investigations and measures applied**

(Number)

G20 economy	Jan-June2020		July-Dec2020		Jan-June2021		July-Dec2021	
	Initiations	Measures	Initiations	Measures	Initiations	Measures	Initiations	Measures
Indonesia	1	4	3	1	0	1	0	3
South Africa <sup>a</sup>	2	1	0	0	0	0	0	1
Türkiye	2	0	0	1	0	0	1	1
United States	0	0	1	0	0	0	0	0
<b>Total</b>	<b>5</b>	<b>5</b>	<b>4</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>5</b>

a Notified by South Africa, but investigations are initiated by SACU on behalf of all of its members collectively.

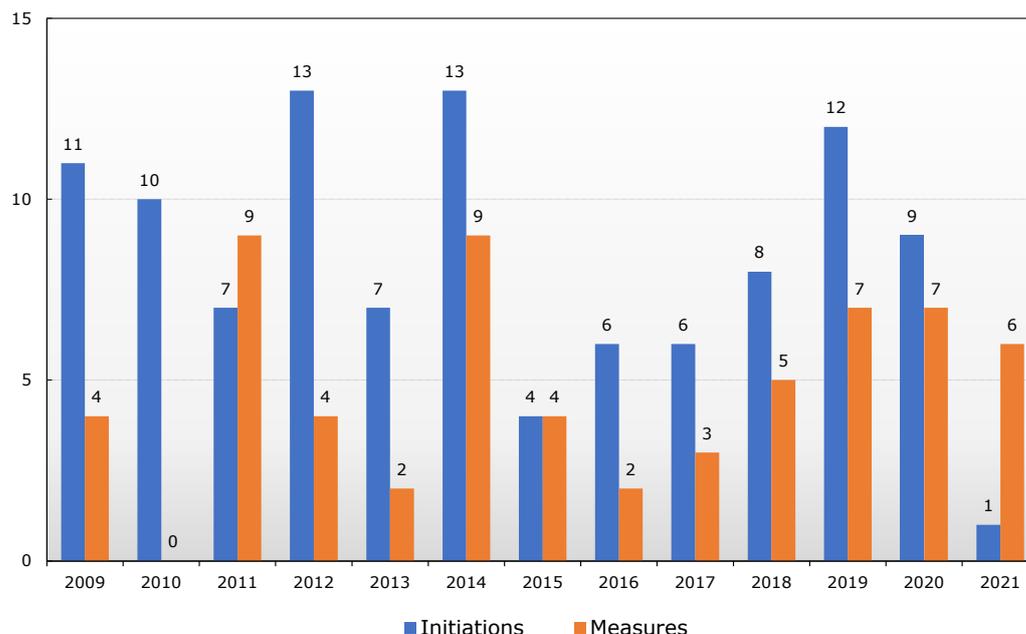
Source: WTO Secretariat.

3.53. Chart 3.11 shows the number of initiations of safeguard investigations and application of measures by the G20 economies on a calendar-year basis. In 2021, one initiation and six measures were recorded. This means that the figure of initiations fell by 90%, while the figure of applications fell by 15% from 2020. That said, the level of actions related to safeguards – that is, number of notifications of actions other than new initiations and applications -- is still high for G20 economies. For example, there were 7 notifications of proposed suspension of concessions by G20 exporting members aimed at the imposing member (including non-G20 members) in the course of 2021. In addition, during the same period, there were 4 notifications of initiation of a review to decide whether or not to extend an existing measure.

<sup>14</sup> With the exception of exporting Members covered by the special and differential treatment provided for developing countries in Article 9.1 of the Safeguards Agreement.

**Chart 3.11 G20 initiations of safeguard investigations and measures applied, 2009-21**

(Number)



Note: Some notifications are ambiguous about the timing when measures took effect. For those, an additional notification clarifying, ex post, the effective date of the measure is sometimes filed. For this reason, the number of applications of measures in a given period indicated in past reports may differ from the figures indicated in the most recent Report.

Source: WTO Secretariat.

3.54. While textiles, metals, plastics, paper and vegetable products were the subject products in 2020, the only investigation in 2021 concerned metals.

3.55. In the course of the discussions that took place in the October 2021 and April 2022 Committee on Safeguards meetings, while some G20 economies referred to the economic impact of the COVID-19 pandemic no G20 economy had notified any safeguard action taken in response to the COVID-19 pandemic.

3.56. In addition, as of 16 May 2022 no G20 member had notified any safeguard action in the context of the war in Ukraine.

### 3.3 Sanitary and Phytosanitary (SPS) measures<sup>15</sup>

3.57. This Section covers SPS transparency-related matters, including specific trade concerns discussed in SPS Committee meetings, for the period from 1 October 2021 to 31 March 2022. In addition, SPS measures taken in response to the COVID-19 pandemic are reported in a separate section covering the period from 1 February 2020 to 1 May 2022. The last section refers to the impact of the war in Ukraine on the work of the SPS Committee.

#### SPS activities/developments (1 October 2021-31 March 2022)

3.58. Under the SPS Agreement, WTO Members are obliged to provide an advance notification of intention to introduce new or modified SPS measures<sup>16</sup>, or to notify immediately when emergency

<sup>15</sup> Information presented in this Section was retrieved from the ePing SPS&TBT Platform, viewed at: <https://eping.wto.org/>. More detailed searches on STCs have been undertaken in the Trade Concerns Database, viewed at: <https://tradeconcerns.wto.org/en>. For more information, see also annual reports WTO documents G/SPS/GEN/804/Rev.14, 28 February 2022 and G/SPS/GEN/204/Rev.22, 28 February 2022.

<sup>16</sup> Transparency obligations are contained in Article 7 of and Annex B to the SPS Agreement. Annex B requires that Members notify measures whose content is not substantially the same as that of an international standard, guideline or recommendation, and when the measure may have a significant effect on trade. However,

measures are imposed. The main objective of complying with the SPS notification obligations is to inform other WTO Members about new or modified regulations that may significantly affect trade. Therefore, an increase in the number of notifications does not automatically imply greater protectionism, but can be due to enhanced transparency and/or a greater number of legitimate health-protection measures.

3.59. G20 economies rank among the main "notifiers" of SPS measures, accounting for 65% of total regular notifications (including addenda), and 35% of emergency notifications, submitted to the WTO from 1 January 1995 until 31 March 2022. For the current review period, from 1 October 2021 to 31 March 2022, Japan, Brazil, the European Union, the United States and Canada submitted the most SPS notifications to the WTO, accounting for 74% of all the notifications submitted by G20 economies in that period.

3.60. Many G20 economies are following the recommendation to notify SPS measures even when these are based on a relevant international standard, thereby substantially increasing the transparency regarding these measures. Of the 241 regular notifications (excluding addenda) submitted by G20 economies during the review period, 40% indicated that an international standard, guideline or recommendation was relevant to the notified measure, out of which 70% (or 28% of all notifications) referred to the Codex Alimentarius (Codex), 19% (or 7% of all) to the International Plant Protection Convention (IPPC) and 11% (or 5% of all) to the World Organisation for Animal Health (OIE). Of these, 61% indicated that the measure was in conformity with, or substantially the same as, the existing international standard, guideline, or recommendation. Of the remaining 39% of notifications, which indicated that the measure was not in conformity with the existing international standard, Codex was the relevant international standard setting body identified in all but one notification. Regarding emergency notifications for the review period, all the emergency measures notified by G20 members indicated conformity with a relevant international standard, guideline or recommendation, often an OIE animal health standard.

3.61. The most frequently identified objective in the SPS measures notified by G20 economies during the review period was food safety, accounting for 65% of all notifications.<sup>17</sup> Food safety is a particularly important objective in the G20 economies' notifications, as the majority of notified measures are related to maximum residue limits (MRLs) or pesticides, and in many notifications several of these keywords were identified.

### Specific Trade Concerns (STCs)

3.62. Measures maintained by G20 economies are often discussed in the SPS Committee. Out of 58 STCs raised or discussed in the 3-5 November 2021 and 23-25 March 2022 SPS Committee meetings<sup>18</sup>, 42 related to measures maintained by G20 economies. Of these, 12 were raised for the first time (Table 3.12) and the remainder previously raised STCs were discussed again. For previously raised STCs, the objective most frequently identified was food safety, followed by animal health and plant health. Among previously raised STCs, 10 addressed persistent problems that have been discussed 10 times or more.<sup>19</sup>

**Table 3.12 New STCs raised on G20 measures in the November 2021 and March 2022 SPS Committee meetings**

ID	New STCs
<a href="#">526</a>	EU delays in authorizing imports of Samgyetang (Korean ginseng chicken soup) – raised by the Republic of Korea,
<a href="#">531</a>	China's import restrictions on fishery products – raised by Mexico
<a href="#">532</a>	China's import suspension of fresh fruits – raised by Chinese Taipei
<a href="#">533</a>	EU restrictions on spice imports and other food products due to European Commission Implementing Regulation (EU) 2021/2246 of 15 December 2021 – raised by India

the Recommended Procedures for Implementing the Transparency Provisions of the SPS Agreement, last updated in 2018 (WTO document G/SPS/7/Rev.4, 4 June 2018), recommend that Members also notify measures which are based on the relevant international standards, and that they apply a broad interpretation of effects on trade.

<sup>17</sup> The objective of an SPS measure falls under one or more of the following categories: (i) food safety; (ii) animal health; (iii) plant protection; (iv) protect humans from animal/plant pest or disease; and (v) protect territory from other damages from pests. Members are required to identify the purpose of the measure in their notifications. It is not uncommon for more than one objective to be identified for a measure.

<sup>18</sup> WTO documents G/SPS/R/104, 17 December 2021; and G/SPS/R/105, 18 March 2022.

<sup>19</sup> These STCs are [193](#), [382](#), [390](#), [392](#), [393](#), [406](#), [431](#), [439](#), [441](#) and [448](#).

ID	New STCs
<a href="#">534</a>	EU import tolerances for certain pesticides to achieve environmental outcomes in third countries – raised by Australia
<a href="#">535</a>	EU restrictions on the importation of collagen for human consumption – raised by China
<a href="#">536</a>	EU residue limits of ethylene oxide and dichloroethanol – raised by China
<a href="#">537</a>	Indonesia's draft regulation on heavy metals contaminants in processed food – raised by China
<a href="#">540</a>	Russian Federation's SPS notification G/SPS/N/RUS/241 regarding eleven new quarantine pests – raised by India
<a href="#">541</a>	Russian Federation's phytosanitary certificate requirements for groundnut and sesame seeds – raised by India
<a href="#">542</a>	US undue delays in opening its citrus market – raised by Brazil

Source: WTO Secretariat.

3.63. The STCs raised in the SPS Committee on measures maintained by G20 economies account for 74% of all STCs raised since 1995. Moreover, the top 10 WTO Members most frequently responding to an STC are all G20 economies.

### COVID-19-related SPS measures (1 February 2020-1 May 2022)

3.64. The three standard-setting bodies recognized by the SPS Agreement (Codex Alimentarius (Codex), World Organisation for Animal Health (OIE)<sup>20</sup> and International Plant Protection Convention (IPPC)), as well as the World Health Organization (WHO), are monitoring the COVID-19 situation, and, so far, they have not recommended any trade restrictions. In the absence of relevant international standards, SPS measures must be based on a risk assessment. However, it may take some time before sufficient scientific evidence becomes available. Under the SPS Agreement, WTO Members have the right to adopt provisional measures based on available information. As more scientific evidence emerges and a risk assessment can be carried out, the measures imposed must be reviewed within a reasonable period of time.

3.65. From 1 February 2020 until 1 May 2022, 31 WTO Members submitted a total of 123 notifications and communications related to 67 SPS measures taken in the context of the COVID-19 pandemic. Besides, 40 WTO Members, including G20 economies, submitted 1 communication (GEN document) requesting the suspension of the processes and entry into force of reductions of maximum residue limits (MRLs) for plant protection products in light of the COVID-19 pandemic. Of the 123 notifications and communications, 48 (excluding corrigenda) were submitted by 15 G20 economies. Eleven measures were notified as regular notifications; additionally, 11 addenda to regular measures were notified, mainly extending the implementation or the comment period of previously notified measures. Nine measures<sup>21</sup> were notified as emergency measures and three measures were submitted through a GEN document.<sup>22</sup> The most recent document submitted by a G20 economy during the reporting period was received on 27 January 2022.

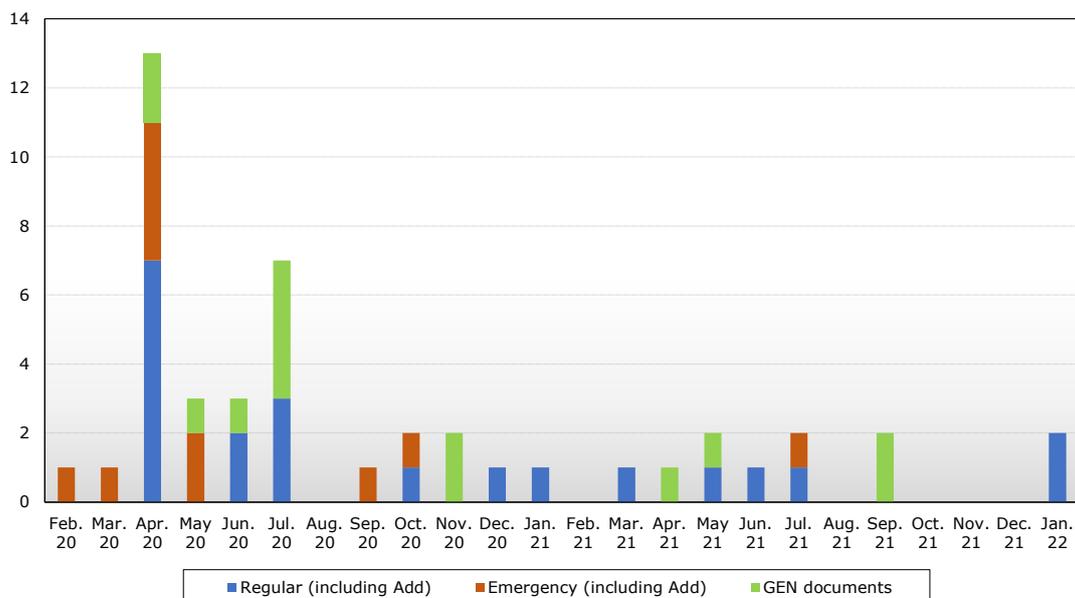
3.66. Initially, these measures mainly related to restrictions on animal imports and/or transit from affected areas (some of these have been lifted) and increased certification requirements. Since the beginning of April 2020, most notifications and communications submitted relate to measures taken to facilitate trade by allowing temporary flexibility for control authorities to use electronically certificates for checks, in view of the COVID-19 pandemic. Of the notifications and communications submitted by G20 economies, more than half referred to measures considered as trade facilitating. Documents submitted by G20 economies are displayed by month in Chart 3.12.

<sup>20</sup> Since renamed the World Animal Health Organization (WAHO).

<sup>21</sup> Two subsequent addenda were notified to withdraw the restrictions imposed in some of the emergency measures.

<sup>22</sup> The remaining communications submitted refer to COVID-19 documents relevant to the Committee meetings.

**Chart 3.12 Number of SPS notifications (regular, emergency and addenda) and GEN documents related to COVID-19 submitted by G20 economies by month**



Source: WTO Secretariat.

### Developments in the context of the war in Ukraine

3.67. At the March 2022 SPS Committee meeting, Ukraine and several other Members (Australia, Canada, European Union, Japan, Republic of Korea, New Zealand, Norway, Paraguay, Switzerland, Chinese Taipei, United Kingdom and United States) condemned "the Russian military aggression in Ukraine", with several Members noting that it violated international law, the UN Charter, and the values on which the WTO is predicated. The Russian Federation noted that restrictive actions taken by several WTO Members had led to damage to the global economy and the multilateral trading system and underlined that the WTO was not the platform to discuss this issue.<sup>23</sup>

### Box 3.1 Enhancing monitoring and transparency in SPS and TBT

Accessing relevant information on SPS or TBT product requirements in export markets can represent a significant challenge, in particular for SMEs. WTO Members are required to notify SPS and TBT measures, still in draft form, that may have a significant effect on trade and that are not in accordance with existing international standards. Each year, the WTO receives around 5,000 SPS and TBT notifications.

The WTO facilitates the fulfilment of the transparency provisions contained in the SPS and TBT Agreements and provides easy access to information. Timely access to notifications is crucial, given the 60-day period that should normally be provided for submitting comments on the proposed regulations. The new [ePing SPS&TBT platform](#) available in beta version since March 2022, is an integrated online tool that assists stakeholders in finding notifications of relevance to their trade and thus contributing to avoid and address potential trade barriers.

The [ePing SPS&TBT platform](#) helps users (governments, economic operators, and civil society) browse SPS or TBT notifications and trade concerns raised by Members in the WTO SPS and TBT Committees using parameters such as product, notifying Member and objective. Additionally, information on enquiry points and notification authorities can be located in the new Platform. Registered users can also sign up to receive daily or weekly email alerts and to follow notifications on products and/or markets of interest and reach out to national and international counterparts. This also facilitates dialogue among the public and private sectors to discuss and share information on notifications of concern, allowing stakeholders to address potential trade problems at an early stage of the regulatory lifecycle.

Source: WTO Secretariat.

<sup>23</sup> WTO document G/SPS/R/105, "Summary of the meeting of 23-25 March 2022", 18 May 2022.

### 3.4 Technical Barriers to Trade (TBT)

#### Notifications submitted to the TBT Committee

3.68. G20 economies remain the most frequent users of the TBT Committee's transparency mechanisms, having submitted 45% of all TBT notifications since 1995.<sup>24</sup> Under the TBT Agreement, WTO Members are required to notify their intention to introduce new or modified TBT measures, or to notify adopted emergency measures immediately. The principal objective of complying with the TBT notification obligations is to inform other Members about new or changed regulations that may significantly affect trade.

3.69. From 1 October 2021 to 1 May 2022 (the review period), G20 economies submitted 487 new regular notifications of TBT measures<sup>25</sup> out of 1,446 by all WTO Members (about 34%). The top five notifying G20 economies – covering around 72% of all G20 notifications – were Brazil (108), United States (74), the Republic of Korea (70), China (50) and the European Union (47). Of these 487 new regular notifications, the majority indicated as their main objective the protection of human health or safety. Various other notifications related to protection of the environment, quality requirements, prevention of deceptive practices, consumer protection and consumer information, and labelling.

3.70. G20 economies submitted 393 follow-up notifications (i.e. addenda, corrigenda, or supplements) during the review period, i.e. around 52% of the total submitted by all WTO Members. The continuing and frequent use of follow-up notifications is a positive development, as it increases transparency and predictability across the measures' regulatory lifecycle.

#### Measures discussed in the TBT Committee (STCs)

3.71. The TBT Committee is used as a forum for discussing trade issues related to specific TBT measures (technical regulations, standards, or conformity assessment procedures) maintained by other Members. These specific trade concerns (STCs) normally relate to proposed draft measures notified to the TBT Committee or to the implementation of existing measures. Issues can range from requests for additional information and clarification to questions on the consistency of measures with TBT Agreement disciplines.

3.72. A total of 169 (45 new and 124 previously raised) STCs were discussed during the two Committee meetings that fell within the review period: 89 (25 new and 64 previously raised) at the 10-12 November 2021 meeting, and 80 (20 new and 60 previously raised) at the 8-11 March 2022 meeting. Seventy-six percent (34 of 45) of the new STCs discussed in the review period concerned measures maintained by G20 economies (Table 3.13).

3.73. Overall, the number of new and previously raised STCs has been increasing every year. This trend suggests an increasing use of the TBT Committee as a forum to raise and resolve trade concerns non-litigiously. In 2021, for example, WTO Members reviewed 257 STCs, including 64 new concerns, which was the highest number on record since 1995.<sup>26</sup> With two TBT Committee meetings scheduled to take place later this year, this trend will likely continue in 2022.

3.74. Finally, during the two Committee meetings covered by the review period, 12 out of 13 persistent STCs (those STCs previously raised more than 16 times in Committee meetings) were discussed (Table 3.14).

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<sup>24</sup> Since 1995, over 33,178 new (regular) notifications of TBT measures have been submitted by WTO Members, 13,720 (41%) of which were by G20 economies. Overall, 45,166 new (regular) and follow-up (revisions, addenda, etc.) notifications of TBT measures have been submitted, 20,233 (45%) of which were notified by G20 economies.

<sup>25</sup> WTO TBT information Management System. Viewed at: [ePing SPS&TBT platform](#).

<sup>26</sup> For more details on TBT notifications, STCs and trends from 2021, see *Twenty-Seventh Annual Review of the Implementation and Operation of the TBT Agreement* (WTO document G/TBT/47, 2 March 2022); and WTO (2022), *Technical Barriers to Trade: 10 Key Results from 2021*.

**Table 3.13 New STCs concerning G20 measures raised in the November 2021 and March 2022 TBT Committee meetings**

New STCs – G20 measures
<b>European Union:</b> Draft Commission Delegated Regulation amending, for the purposes of its adaptation to technical and scientific progress, Regulation (EC) No. 1272/2008 of the European Parliament and of the Council on classification, labelling and packaging of substances and mixtures (ID 705) (raised by Chinese Taipei)
<b>China:</b> National Standard of the P.R.C., Lithium Ion Cells and Batteries Used in Portable Electronic Equipments - Safety Technical Specification (ID 706) (raised by the Republic of Korea)
<b>European Union:</b> Draft Commission Regulation laying down ecodesign requirements for light sources and separate control gears pursuant to Directive 2009/125/EC of the European Parliament and of the Council and repealing Commission Regulation(EC) No. 244/2009, (EC) No. 245/2009 and (EU) No. 1194/2012 (ID 708) (raised by the Republic of Korea)
<b>United States:</b> Energy Conservation Program: Test Procedures for Residential and Commercial Clothes Washers (ID 709) (raised by China)
<b>India:</b> Important Instruction regarding Voluntary Star Labelling Programme for UHD (4K, 8K) Televisions (ID 710) (raised by the Republic of Korea)
<b>Brazil:</b> MAPA Ordinance No. 208, 26 February 2021 – revision of the Decree No. 6.87 of 4 June 2009 on the standardisation, classification, registration, inspection, production and supervision of alcoholic beverages (ID 712) (raised by the European Union)
<b>United States:</b> Protecting Against National Security Threats to the Communications Supply Chain through the Equipment Authorization Program and the Competitive Bidding Program (ID 714) (raised by China)
<b>United States:</b> Energy Conservation Program: Test Procedure for Metal Halide Lamp Fixtures (ID 716) (raised by China)
<b>India:</b> Chemical Fibers and Yarns: PSY, IDY, FDY, POY, PSF, and SMF for use in Cement-Based Matrix (Quality Control) Orders, 2020 (ID 717) (raised by the Republic of Korea)
<b>India:</b> Plastic Waste Management (Amendment) Rules, 2021 (ID 719) (raised by Republic of Korea)
<b>Canada:</b> Regulatory requirements for the import and marketing of cannabis and cannabis based products for medicinal use (ID 722) (raised by Colombia)
<b>France:</b> LOI n° 2020-105: Anti-Waste Law for a Circular Economy (AGEC Law) (ID 723) (raised by the Republic of Korea)
<b>Indonesia:</b> Government Regulation 28 of 2021 – Implementing Regulation (for the Manufacturing/Industry Sector) to Law No. 11 of 2020 the "Job Creation Act" (ID 724) (raised by European Union and United States)
<b>Republic of Korea:</b> Proposal for revision of the implementation rules and operation notification of the electrical appliances and consumer goods safety control act (ID 725) (raised by China)
<b>United States:</b> Energy efficiency requirements for general service lamps (GSL) (ID 726) (raised by China)
<b>Indonesia:</b> Import quota and SNI certification requirements (ID 728) (raised by China)
<b>United States:</b> Energy conservation program: test procedure for circulator pumps (ID 731) (raised by China)
<b>Kingdom of Saudi Arabia:</b> Corporate average fuel economy standard (SAUDI CAFE) for all light duty vehicles (ID 732) (raised by China)
<b>South Africa:</b> Regulations relating to the composition, production and labelling of wine and spirits intended for sale in the Republic of South Africa (ID 733) (raised by Mexico)
<b>European Union:</b> Specific test procedures and technical requirements for the type-approval of motor vehicles with regard to their event data recorder and for the type-approval of those systems as separate technical units (ID 734) (raised by China)
<b>Canada:</b> Pest control products regulations (ultraviolet radiation-emitting devices and ozone-generating devices) (ID 735) (raised by China)
<b>European Union:</b> Proposal for a regulation of the European Parliament and the Council laying down harmonised rules on artificial intelligence (Artificial intelligence act) and amending certain union legislative acts (ID 736) (raised by China)
<b>United States:</b> Secure equipment act of 2021 (ID 737) (raised by China)
<b>European Union:</b> Regulations affecting spices (Regulation number EU 2021/2246, dated 15 December 2021) (ID 738) (raised by India)
<b>European Union:</b> Implementation of access regulation regarding collagen for human consumption (ID 739) (raised by China)
<b>United Kingdom:</b> EC marking certificate for export of home textile items (ID 740) (raised by India)
<b>European Union:</b> Commission implementing decision (EU) 2017/1357 on a restriction of Standard EN 60335-2-9-2003+A 13-2010 (ID 741) (raised by China)
<b>India:</b> Approved models and manufacturers of solar photovoltaic modules order, 2019 (ID 742) (raised by China)
<b>European Union:</b> Regulation (EU) 2022/30 on network protection, safeguards for the protection of personal data and privacy and protection from fraud (ID 743) (raised by China)
<b>Republic of Korea:</b> Regulation for supporting low carbon solar module product (ID 744) (raised by China)

New STCs – G20 measures
<b>European Union:</b> Regulation (EU) 2019/320 on caller location in emergency communications from mobile devices (ID 745) (raised by China)
<b>Indonesia:</b> Remote factory audit for air conditioners (ID 746) (raised by Thailand)
<b>Japan:</b> Inspection system for sports goods and toys and non-acceptance of test reports from Indian test houses (ID 747) (raised by India)
<b>India:</b> Import Policy of Air Conditioners with Refrigerants (ID 748) (raised by Thailand)

Source: WTO Secretariat.

**Table 3.14 Persistent STCs concerning G20 economies raised between 1 October 2021 and 1 May 2022**

Persistent STCs
<b>India:</b> Pneumatic tyres and tubes for automotive vehicles (ID 133) raised <u>39 times</u> since 2006
<b>China:</b> Requirements for information security products, including, inter alia, the Office of State Commercial Cryptography Administration (OSCCA) 1999 Regulation on commercial encryption products and its on-going revision and the Multi-Level Protection Scheme (MLPS) (ID 294) raised <u>34 times</u> since 2011
<b>Russian Federation:</b> Draft Technical Regulation on Alcohol Drinks Safety (published on 24 October 2011) (ID 332) raised <u>30 times</u> since 2012
<b>European Union:</b> Draft Implementing Regulations amending Regulation (EC) No. 607/2009 laying down detailed rules for the application of Council Regulation (EC) No 479/2008 as regards protected designations of origin and geographical indications, traditional terms, labelling and presentation of certain wine sector products (ID 345) raised <u>29 times</u> since 2012
<b>European Union:</b> Hazard-based approach to plant protection products and setting of import tolerances (ID 393) raised <u>27 times</u> since 2013
<b>India:</b> Electronics and Information Technology Goods (Requirements for Compulsory Registration) Order, 2012 (ID 367) raised <u>27 times</u> since 2013
<b>China:</b> Regulations for the Supervision and Administration of Medical Devices (Order No. 650 of the State Council) (ID 428) raised <u>24 times</u> since 2014
<b>China:</b> Registration Fees for Drugs and Medical Device Products (ID 466) raised <u>21 times</u> since 2015
<b>Indonesia:</b> Halal Product Assurance Law No. 33 of 2014 and its implementing regulations (ID 502) raised <u>19 times</u> since 2016
<b>Russian Federation:</b> Rules of cement certification (ID 497) raised <u>18 times</u> since 2016
<b>India:</b> Draft Food Safety and Standards (Alcoholic Beverages Standards) Regulations, 2015 (ID 494) raised <u>18 times</u> since 2016
<b>India:</b> Mandatory Certification for Steel Products (ID 224) raised <u>17 times</u> since 2009

Source: WTO Secretariat.

### COVID-19-related TBT notifications and discussions at TBT Committee

3.75. Since the beginning of the pandemic, 45% of all notifications submitted by WTO Members in response to COVID-19 were under the TBT Agreement.<sup>27</sup> As at 21 April 2022, 34 WTO Members submitted 213 COVID-19-related TBT notifications to the WTO, of which 130 (61%) were submitted by G20 economies. These notifications mostly dealt with extraordinary and temporary streamlining of certification and related procedures, and the introduction of new regulatory requirements for medical goods. In addition, WTO Members made references to the COVID-19 pandemic in 54 STCs in the TBT Committee. The vast majority of these STCs were not linked to COVID-19-related notifications or medical goods; rather, they addressed the significant impacts of the pandemic on WTO Members' economies.

3.76. More than 60% of these notifications were submitted under the emergency/urgent notification provisions of the TBT Agreement.<sup>28</sup> Under these provisions, WTO Members can adopt measures immediately without first notifying the measure in draft form or providing the usual 60-day comment period (or allowing the usual 6-month transition period prior to entry into force). The majority (about 66%) of these notifications cover regulations on medical goods, such as personal protective

<sup>27</sup> TBT notifications are classified as COVID-19-related if they contain the terms "coronavirus", "COVID", "SARS-COV-2" or "nCoV". These COVID-19-related notifications include not only regular notifications but also follow-up notifications (addenda to previous regular notifications).

<sup>28</sup> TBT Agreement, Articles 2.10.1 and 5.7.1.

equipment (PPE), pharmaceutical products, medical devices, other medical supplies and other products.<sup>29</sup>

3.77. In the context of the Ninth Triennial Review of the TBT Agreement, WTO Members agreed to examine and compile best practices for future pandemic preparedness, including streamlining conformity assessment procedures during pandemics, and enhancing international regulatory cooperation so as to facilitate trade in select essential medical goods such as vaccines.<sup>30</sup>

### Developments in the context of the war in Ukraine

3.78. At the TBT Committee meeting of 8-11 March 2022, Ukraine and several other Members (Argentina, Australia, Canada, European Union, Japan, Republic of Korea, New Zealand, Paraguay, Switzerland, Türkiye, United Kingdom, and United States) expressed their strong opposition to the war in Ukraine, with several Members noting that it violated international law and the UN Charter. The Russian Federation called on Members to refrain from interventions on issues and events which were outside the scope of the TBT Committee and the WTO itself.<sup>31</sup>

3.79. In April and May 2022, Lithuania submitted various notifications to the TBT Committee on construction products that, according to Lithuania, "were adopted in view of the fact that the Russian Federation was carrying out a military attack on Ukraine" and Belarus' "involvement in the attack."<sup>32</sup> These Lithuanian notifications concern modifications to previously notified regulatory measures on specifications for construction products that had entered into force between 2018 and January 2022. More specifically, these new measures intend to temporarily allow construction products which are not covered by EU harmonized technical specifications ("non-harmonized construction products"), to nonetheless be placed on the Lithuanian market without being certified by a body established in Lithuania, provided that they comply with certain special certification requirements. At the same time, and in light of the war in Ukraine, Lithuania "suspended validity of certificates of constancy of performance of construction products, certificates of conformity of (internal) production control of construction products" so as "to ensure that [the Russian Federation and Belarus] are not directly or indirectly financed by the Republic of Lithuania and the European Union".<sup>33</sup>

### 3.5 Trade concerns raised in other WTO bodies

3.80. During the review period, a number of trade issues and concerns were raised by Members in formal meetings of various WTO bodies involving G20 economies. This Section provides a factual overview of such concerns raised between mid-October 2021 and mid-May 2022. The trade concerns covered in this Section have neither the status nor the procedural framework of the STCs raised in the SPS and TBT Committees. Nevertheless, they provide an up-to-date insight into which trade issues are being discussed by Members across the WTO and, as such, add important transparency. This Section does not reproduce the full substantive description of the trade concerns outlined by WTO Members regarding measures implemented by G20 economies, but rather provides a reference to the formal meeting(s) where a particular issue featured. A full account and context of the concerns can be found in the formal meeting records of the respective WTO bodies. The list of concerns and issues mentioned in this Section is not exhaustive and is limited to measures implemented by G20 economies.<sup>34</sup>

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<sup>29</sup> The "pharmaceutical products" category includes, for example, vaccines, antibiotics and vitamins. The "medical devices" category includes, for example, lung ventilator equipment, ultraviolet radiation-emitting devices and vital signs monitors. The "PPE" category includes, for example, face masks and surgical gloves. The "other medical supplies" category includes, for example, gauzes, hand sanitizers and flocked swabs. The "other" category includes, for example, food, footwear and office machines.

<sup>30</sup> WTO document G/TBT/46, 17 November 2021, para. 8.4.

<sup>31</sup> WTO document G/TBT/M/86 (forthcoming).

<sup>32</sup> Belarus is not a WTO Member. Information on Belarus' WTO accession process can be found here: [https://www.wto.org/english/thewto\\_e/acc\\_e/blr\\_e/a1\\_belarus\\_e.htm](https://www.wto.org/english/thewto_e/acc_e/blr_e/a1_belarus_e.htm).

<sup>33</sup> WTO documents G/TBT/N/LTU/44, 19 April 2022; G/TBT/N/LTU/45, 19 April 2022; G/TBT/N/LTU/45/Add.1, 19 May 2022; G/TBT/N/LTU/46/Rev.1 (submitted on 12 May 2022 as a revision of the original notification circulated on 19 April as G/TBT/N/LTU/46); and G/TBT/N/LTU/46/Rev.1/Add.1, 19 May 2022.

<sup>34</sup> G20 economies are encouraged to communicate to the Trade Monitoring Section the WTO trade issues which they have raised in WTO bodies and which they believe are relevant to the monitoring exercise.

3.81. At the 15 December 2021 special meeting of the *General Council (GC)*<sup>35</sup>, trade concerns were raised under "Other Business" by the European Union regarding the shipments of goods to China originating in Lithuania. At the 9-10 May 2022 GC meeting<sup>36</sup>, trade concerns were raised on trade-disruptive practices of certain members and their implications for the WTO (raised by the Russian Federation).<sup>37</sup>

3.82. During the review period, the *Council for Trade in Goods (CTG)* met twice, on 1-2 November 2021 and on 21-22 April 2022. New and repeated trade concerns were raised at the 1-2 November 2021 CTG meeting<sup>38</sup> as per Table 3.15.

**Table 3.15 Trade concerns raised at the CTG meeting of 1-2 November 2021**

Trade concern	Member(s) raising the concern
Australia – Discriminatory Market Access Prohibition on 5G Equipment	China
China – Administrative Measures for Registration of Overseas Producers of Imported Foods	United States
China – Cosmetics Supervision and Administration Regulations (CSAR)	Australia, European Union, Japan, and United States
China – Export Control Law	European Union and Japan
China – Implementation of Trade Disruptive and Restrictive Measures	Australia
China – Subsidy Transparency and China's Publication and Inquiry Point Obligations under China's Protocol of Accession	Australia, European Union, United Kingdom, and United States
European Union – Carbon Border Adjustment Mechanism (European Green Deal of December 2019)	China and Russian Federation
European Union – Implementation of Non-Tariff Barriers on Agricultural Products	Argentina, Australia, Brazil, Canada, Colombia, Costa Rica, Ecuador, Jamaica, Panama, Paraguay, United States, and Uruguay
European Union – Proposed Modification of TRQ Commitments: Systemic Concerns	Brazil, China, and Uruguay
European Union – Quality Schemes for Agricultural Products and Foodstuffs – the Registration of Certain Terms of Cheese as Geographical Indications	Uruguay
European Union – Regulation (EU) 2017/2321 and Regulation (EU) 2018/825	China and Russian Federation
European Union – Regulation EC No. 1272/2008 (CLP Regulation)	Russian Federation
European Union – Sweden's Discriminatory Market Access Prohibition on 5G Equipment	China
European Union – The European Green Deal	Russian Federation
India – Import Policy on Tyres	European Union, Indonesia, and Chinese Taipei
India – Import Restriction on Air Conditioners	Japan
India – Indian Standards and Import Restriction in the Automotive Sector (Quality Control Orders): Wheel Rims, Safety Glass, Helmets	Indonesia
India – Mandatory Certification for Steel Products	Japan
India – Order Related to Requirement of Non-GM Cum GM Free Certificate Accompanied with Imported Food Consignment	United States
India – Plain Copier Paper Quality Order 2020	Indonesia
India – Restrictions on Imports of Certain Pulses	Australia, Canada, European Union, Russian Federation, and United States
Indonesia – Import and Export Restricting Policies and Practices	European Union, Japan, New Zealand, and United States
Indonesia – Import Substitution Programme	European Union
Kingdom of Saudi Arabia – Saber Conformity Assessment Online Platform/Saleem Product Safety Program	United States
Kingdom of Saudi Arabia, Kingdom of Bahrain, the United Arab Emirates, the State of Kuwait, Oman, and Qatar – Selective Tax on Certain Imported Products	European Union, Switzerland, and United States

<sup>35</sup> WTO document WT/GC/M/195, 15 December 2021.

<sup>36</sup> WTO document WT/GC/M/198, forthcoming.

<sup>37</sup> WTO document WT/GC/245, 16 March 2022.

<sup>38</sup> WTO document G/C/M/141, 28 February 2022.

Trade concern	Member(s) raising the concern
Mexico – Conformity Assessment Procedure for Cheese Under Mexican Official Standard NOM-223-SCFI/SAGARPA-2018	United States
Russian Federation – Trade Restricting Practices	European Union and United States
United Kingdom – Draft Goods Schedule and Proposed UK TRQ Commitments: Systemic Concerns	Brazil, China, Russian Federation, and Uruguay
United States – Export Control Measures for ICT Products	China
United States – Import Restrictions on Apples and Pears	European Union
United States – Measures Regarding Market Access Prohibition for ICT Products	China

Source: WTO Secretariat.

3.83. New and repeated trade concerns were raised at the 21-22 April 2022<sup>39</sup> CTG meeting as per Table 3.16.

**Table 3.16 Trade concerns raised at CTG meeting of 21-22 April 2022**

Trade concern	Member(s) raising the concern
Australia – Discriminatory Market Access Prohibition on 5G Equipment	China
Australia, Canada, European Union, Japan, New Zealand, Switzerland, United Kingdom, and the United States – Unilateral Trade Restrictive Measures Against Russian Federation	Russian Federation
China – Administrative Measures for Registration of Overseas Producers of Imported Foods	Indonesia and United States
China – Cosmetics Supervision and Administration Regulations (CSAR)	Australia, European Union, Japan, and United States
China – Export Control Law	Japan
China – Implementation of Trade Disruptive and Restrictive Measures	Australia
European Union – Belgium's Draft Law Introducing Additional Security Measures for the Provision of Mobile 5G Services	China
European Union – Carbon Border Adjustment Mechanism	China and Russian Federation
European Union – Countervailing Duties (CVD) on Stainless Steel Cold-Rolled Flat (SSCR)	Indonesia
European Union – European Green Deal (Carbon Border Adjustment Mechanism and Deforestation Free Commodities)	Indonesia
European Union – Implementation of Non-Tariff Barriers on Agricultural Products (G/C/W/767/Rev.1)	Australia, Brazil, Canada, Colombia, Costa Rica, Dominican Republic, Ecuador, Jamaica, Panama, Paraguay, Peru, United States, and Uruguay
European Union – Proposed Modification of TRQ Commitments: Systemic Concerns	China and Uruguay
European Union – Quality Schemes for Agricultural Products and Foodstuffs - the Registration of Certain Terms of Cheese as Geographical Indications	New Zealand and Uruguay
European Union – Regulation EC No. 1272/2008 (CLP Regulation)	Russian Federation
European Union – Regulation (EU) 2017/2321 and Regulation (EU) 2018/825	Russian Federation
European Union – Sweden's Discriminatory Market Access Prohibition on 5G Equipment	China
European Union – European Green Deal	Russian Federation
India – Import Policy on Tyres	European Union, Indonesia, Chinese Taipei, and Thailand
India – Import Restriction on Air Conditioners	Japan and Thailand
India – Order Related to Requirement of Non-GM Cum GM Free Certificate Accompanied with Imported Food Consignment	United States
India – Plain Copier Paper Quality Order 2020	Indonesia
India – Restrictions on Imports of Certain Pulses	Australia, Canada, European Union and United States
Indonesia – Import and Export Restricting Policies and Practices	European Union, Japan, New Zealand, and United States
Indonesia – Import Substitution Programme	European Union

<sup>39</sup> WTO document G/C/M/142, forthcoming.

Trade concern	Member(s) raising the concern
Kingdom of Saudi Arabia – SABER Conformity Assessment Online Platform / Saleem Product Safety Program	United States
Kingdom of Saudi Arabia, Kingdom of Bahrain, United Arab Emirates, the State of Kuwait, Oman, and Qatar – Selective Tax on Certain Imported Products	Switzerland and United States
Mexico – Conformity Assessment Procedure for Cheese Under Mexican Official Standard Nom-223-Scfi/Sagarpa-2018	United States
United Kingdom – Draft Goods Schedule and Proposed UK TRQ Commitments: Systemic Concerns	China and Uruguay
United Kingdom – Environmental Act: Forestry Commodities	Indonesia
United States – Discriminatory Quantitative Restriction on Steel and/or Aluminium Imports	China
United States – Export Control Measures for ICT Products	China
United States – Import Restrictions on Apples and Pears	European Union
United States – Measures Regarding Market Access Prohibition for ICT Products	China

Source: WTO Secretariat.

3.84. During the 21-22 April 2022 CTG meeting, Ukraine raised concerns about Russian Federation's military actions, stating that some of which were targeting Ukraine's agricultural production capacity thus jeopardizing food security and risking a world food crisis. The Russian Federation raised concerns about unilateral measures introduced by Australia, Canada, European Union, Japan, New Zealand, Switzerland, United Kingdom and United States aimed at attacking the Russian Federation's economy as a result of its special military operation in Ukraine.

3.85. Concerns were raised by a number of Members on the direct impact of the Russian Federation's military action in Ukraine, which had prevented Ukraine's exports and also on the Russian Federation's measures to restrict its exports of fertilizers and other commodities, such as sugar, sunflower oil, wheat, meslin, rye, barley, corn, sunflower seeds, and rapeseed seeds (raised by Australia, Canada, European Union, Japan, Republic of Korea, New Zealand, Norway, Switzerland, United Kingdom, United States, and Ukraine).

3.86. At the 30-31 March 2022 meeting of the *Committee on Market Access (CMA)*<sup>40</sup>, trade concerns were raised as per Table 3.17.

**Table 3.17 Trade concerns raised at the CMA meeting of 30-31 March 2022**

Measure implemented by	Member(s) raising the concern
Canada – Restrictions on the Commercial Importation of Cannabis and Cannabis Products for Medical Use	Colombia
China – Trade Disruptive and Restrictive Measures	Australia
European Union – Carbon Border Adjustment Mechanism (CBAM)	Indonesia, Russian Federation
Kingdom of Saudi Arabia, Kingdom of Bahrain, United Arab Emirates, State of Kuwait, Oman, and Qatar – Selective Tax on Certain Imported Products	European Union, Switzerland, United States
India – Import Policies on Tyres	European Union, Indonesia, Chinese Taipei, Thailand
India – Import Restriction on Air Conditioners	Japan, Thailand
India – Plain Copier Paper Quality Order 2020	Indonesia
India – Quantitative Restrictions on Imports of Certain Pulses	Australia, Canada, European Union, United States
Indonesia – Import Substitution Programme	European Union
Indonesia – Customs Duties on Certain Telecommunication Products	United States, European Union
Mexico – Import Quota on Glyphosate	United States
United States – Discriminatory Quantitative Restriction on Steel and/or Aluminium Imports	China

Source: WTO Secretariat.

<sup>40</sup> WTO document G/MA/M/76, forthcoming.

3.87. At the March 2022 CMA meeting, Ukraine made reference to its notification<sup>41</sup> of export restrictions on certain agricultural products which were necessary to ensure national food security. They noted that these measures were implemented as a result of the Russian Federation's actions. Ukraine denounced the detrimental effects that the war had on international trade in food products. Thirteen Members (United Kingdom, United States, Paraguay, New Zealand, Japan, Republic of Korea, Norway, Türkiye, European Union, Chinese Taipei, Australia, Switzerland, and Canada) expressed support for Ukraine and noted the consequences of the Russian Federation's actions on global trade in goods. The Russian Federation stressed that the reasons for disruptions of global supply chains were the unilateral trade restricting measures introduced by Members, which were in direct violation of WTO rules. During that meeting, the Committee reviewed the quantitative restrictions (QR) notifications from 16 WTO Members. One notification from the United States related to import and export prohibitions against the Russian Federation on the ground of national security.<sup>42</sup>

3.88. At the 8 April 2022 meeting of the *Committee on Import Licensing (CIL)*<sup>43</sup>, new and persistent trade concerns were raised as per Table 3.18.

**Table 3.18 Trade concerns raised at the CIL meeting of 8 April 2022**

Measures implemented by	Member(s) raising the concern
China – Changes to Import Licensing for Certain Recoverable Materials	United States
India – Quantitative Restrictions on Certain Pulses	Canada
India – Importation of Pneumatic Tyres	European Union, Indonesia, Chinese Taipei, Thailand
Indonesia – Import Restrictions: Compulsory Registration by Importers of Steel Products	Japan
Indonesia – Import Licensing Regime for Certain Textile Products	European Union and Japan
Indonesia – Import Restrictions on Air Conditioners	European Union and Japan

Source: WTO Secretariat.

3.89. At the 6 April 2022 meeting of the *Committee of Participants on the Expansion of Trade in Information Technology Products (ITA Committee)*<sup>44</sup>, an implementation issue was reiterated concerning Indonesia, calling for aligning the tariff treatment of certain ICT products classified under subheading 8517.62 with Indonesia's WTO commitments (raised by United States, European Union, and Japan).

3.90. At the 15-16 March 2022 meeting of the *Committee on Agriculture (CoA)*<sup>45</sup>, several questions and concerns were raised with respect to G20 economies' individual notifications and on Specific Implementation Matters (SIMs) under Article 18.6. During the period concerned, 105 questions were discussed regarding policies by G20 economies, including on individual notifications (53 questions), Article 18.6 matters (48 questions covering 38 SIMs) and on overdue notifications (4 questions). Additional details regarding these questions and concerns can be found in Section 3.6 of this Report.

3.91. At the meetings of the *Committee on Anti-Dumping Practices*<sup>46</sup> on 27 October 2021 and 27 April 2022, trade concerns were raised as per Table 3.19.

**Table 3.19 Concerns raised on anti-dumping practices**

Measure(s) implemented by	Member(s) raising the concern
Argentina – Initiation – polymer profiles of vinyl chloride of the types used in the manufacture of openings or enclosures	Türkiye
Argentina – Initiation – tiles of glass whether or not on a backing, for mosaics or similar decorative purposes	Türkiye

<sup>41</sup> WTO document G/MA/QR/N/UKR/5/Add.2, 25 March 2022.

<sup>42</sup> WTO document G/MA/QR/N/USA/5/Add.3, 21 March 2022.

<sup>43</sup> WTO document G/LIC/M/54, forthcoming.

<sup>44</sup> WTO document G/IT/M/76, forthcoming.

<sup>45</sup> Questions raised under the review process in the CoA meetings on 15-16 March 2022 are available in WTO document G/AG/W/217, 4 March 2022; and G/AG/W/217/Corr.1, 14 March 2022. The questions, responses and follow-up comments are available through the Q&A section of the Agriculture Information Management System. Viewed at: <http://aqims.wto.org/>.

<sup>46</sup> WTO documents G/ADP/M/60, 17 December 2021; and G/ADP/M/61, forthcoming.

Measure(s) implemented by	Member(s) raising the concern
Brazil – Investigation – liquid caustic soda	United States
Canada – Investigation – preliminary and final determinations – concrete reinforcing bars	Egypt and Russian Federation
China – Antidumping measures – Poultry	Brazil
China – Final determination and continued imposition of AD measures – unbleached sack paper	Japan
China – Final determination and continued imposition of AD measures – Grain oriented flat rolled electrical steel	Japan
European Union – Initiation – corrosion resistant steel products	Türkiye
European Union – Initiation – ceramic tiles	Türkiye
European Union – Initiation – certain iron or steel fasteners	China
European Union – Initiation – aluminum road wheels	Morocco
European Union – Reopening of investigation – certain woven and/or stitched glass fibre fabrics	Egypt
India – Continued imposition of anti-dumping measures – hot-rolled flat products of alloy and non-alloy steel, and cold-rolled/cold-reduced flat products of iron or non-alloy steel	Japan
India – Anti-dumping measures – electrogalvanized steel	Japan
Korea, Republic of – Final determination and continued imposition of anti-dumping duties based on the 4th sunset review – stainless steel bar	Japan
Korea, Republic of – Expiry review – Butyl glycol ether	United States
Mexico – Initiation – type I and type H steel beams	United Kingdom
South Africa – Preliminary determination and imposition of provisional measures – Frozen bone-in portions of fowls of the species Gallus Domesticus	European Union
South Africa – Preliminary determination and imposition of provisional measures – Frozen bone-in portions of fowls of the species Gallus Domesticus	Brazil
South Africa – Investigation – uncooked pasta	Egypt
South Africa – Initiation – frozen potato chips	European Union
United Kingdom – Transitional review – cold-rolled flat steel products	Russian Federation
United States – Investigation – raw honey	Ukraine
United States – Administrative review – Glycine	Japan
United States – Review of Russian Federation's market economy status – urea ammonium nitrate solutions	Russian Federation
United States – Anti-dumping measures – hot-rolled steel flat products	Türkiye

Source: WTO Secretariat.

3.92. Other issues and concerns were raised on: (i) Ukraine's undermined ability to fulfil its rights and obligations with respect to AD investigations both initiated by itself or by other Members due to the conflict between the Russian Federation and Ukraine (raised by Ukraine); (ii) the length of the United States antidumping measures – prolonged measures (raised by China and Japan); (iii) sunset reviews conducted by the European Union leading to continued imposition of prolonged antidumping measures (raised by China); (iv) European Union's Regulation (EU) 2017/2321 and Regulation (EU) 2018/825 (Russian Federation and supported by China); (v) overall importance of prompt notifications for transparency purposes (raised by the United States); and (vi) transitional reviews and continued application by the United Kingdom of the European Union's antidumping measures conducted after Brexit (raised by China and Russian Federation).

3.93. At the meetings of the *Committee on Subsidies and Countervailing Measures* on 26 October 2021 and 26 April 2022<sup>47</sup>, trade concerns were raised on subsidies as per Table 3.20.

<sup>47</sup> WTO documents G/SCM/M/117, 4 March 2022; and G/SCM/M/119, forthcoming.

**Table 3.20 Trade concerns raised at the Committee on Subsidies and Countervailing Measures**

Measure(s) implemented by	Member(s) raising the concern
China - Countervailing duty investigation - n-Propanol (NPA)	United States
European Union - Anti-circumvention proceedings - Glass fibre fabrics	Egypt and Morocco
European Union - Final countervailing measures - Stainless steel cold rolled flat products	Indonesia
India - Countervailing duty investigation - Aluminium primary foundry alloy ingot	Malaysia
India - Countervailing duty investigation - Copper tubes and pipes	Malaysia
India - Countervailing duty investigation - Saturated fatty alcohols	Malaysia
United Kingdom - Countervailing duty investigation - Ironing boards	Türkiye
United Kingdom - Countervailing duty investigation - Optical fibre cables	China
United States - Countervailing duty investigation - Phosphate fertilizers	Russian Federation
United States - Countervailing duty investigation & final measures - Seamless carbon and alloy steel standard, line, and pressure pipe	Russian Federation
United States - Countervailing duty investigation & imposition of provisional measures and preliminary determinations - Urea ammonium nitrate solutions	Russian Federation
United States - Preliminary findings and Provisional measures - Granular polytetrafluoroethylene resin	Russian Federation
United States - Initiation of countervailing duty investigation - Oil country tubular goods	Russian Federation
United States - Countervailing duty measures - Phosphate fertilizers	Morocco
United States - Preliminary or final determinations on "currency undervaluation" in countervailing duty investigations on Twist ties; Chassis; Pentafluoroethane; Mobile access equipment; and Walk-behind snow throwers	China
United States - Expiry reviews - Cold-rolled and hot-rolled steel sheets	Brazil
United States - Expiry review - Iron construction castings	Brazil

Source: WTO Secretariat.

3.94. Additional concerns were raised on: (i) the undermining of Ukraine's ability to fulfil its rights and obligations under the SCM Agreement due to the war (raised by Ukraine); (ii) disruptions in international trade caused by unilateral measures adopted against the Russian Federation and subsidies by the European Union to energy-intensive sectors (raised by the Russian Federation); (iii) elimination of export subsidies by the WTO Members that received extensions under Article 27.4 of the SCM Agreement; (iv) low and declining level of compliance with the notification and transparency obligations in the SCM Agreement; (v) requests for information pursuant to Article 25.8 and 25.9 (proposal on procedures from the United States); (vi) subsidies and overcapacity (raised by Australia, Canada, the European Union, Japan, United Kingdom, and United States); (vii) request for information on certain alleged subsidy programmes in the steel sector in China (raised by European Union and United States); (viii) request for information on certain alleged subsidy programmes in the United States (raised by China); (ix) countervailing duty regulation of the United States regarding the assessment of currency undervaluation in CVD cases (raised by China); (x) use of adverse facts available by the United States in various CVD investigations (raised by China); (xi) transitional reviews and continued application by the United Kingdom of the European Union's CVD measures conducted after Brexit (raised by China); (xii) countervailing duty investigations by the European Union regarding the so-called transnational subsidies (raised by China); (xiii) increased trade protectionism through application of countervailing measures (raised by China); (xiv) subsidy transparency and China's publication and inquiry point obligations under China's protocol of accession (raised by Australia, Canada, European Union, Japan, the United Kingdom, and United States); (xv) proposed amendment to procedures for review of new and full subsidy notifications (raised by Australia, Canada, European Union, Japan, New Zealand, Chinese Taipei, United Kingdom, and United States).

3.95. At the meetings of the *Committee on Safeguards* held on 25 October 2021<sup>48</sup> and on 25 April 2022<sup>49</sup>, trade concerns were raised on specific safeguard actions as per Table 3.21.

**Table 3.21 Concerns raised at the Committee on Safeguards**

Measure implemented by	Member(s) raising the concern
European Union – Investigation on certain steel products	China, Japan, Russian Federation, Brazil, India, Switzerland, Türkiye, Republic of Korea
India – Investigation on solar cells	Japan
Indonesia – Investigation on carpets and other textile floor coverings	Japan
Indonesia – Investigation on articles of apparel and clothing accessories	Japan, European Union
Indonesia – Investigation on cigarette paper	European Union
South Africa – Investigation on screws fully threaded with hexagon heads made of steel	European Union
Türkiye – Investigation on polyester staple fibre	European Union, Egypt
Türkiye – Investigation on grinding balls and similar articles for mills	European Union
Türkiye – Investigation on yarn of nylon or other polyamides	Indonesia, European Union
United Kingdom – Investigation on certain steel products	China, Japan, Türkiye, Russian Federation, Brazil, Switzerland, Republic of Korea, India
United States – Investigation on crystalline silicon photovoltaic cells	Japan, Singapore, Malaysia

Source: WTO Secretariat.

3.96. Additional concerns were raised at the 25 April 2022 meeting on: (i) Ukraine's ability to conduct safeguard investigations, with certain deadlines in ongoing proceedings already lapsed without the respective actions having taken place, and many more deadlines were likely to be missed in the future (raised by Ukraine); (ii) disruptions in international trade caused by unilateral measures adopted against the Russian Federation (raised by the Russian Federation); (iii) WTO-inconsistency of the latest modification of the safeguard measure on certain steel products by the European Union adjusting the tariff rate quota to reflect the fact that it had banned the imports of steel products originating in the Russian Federation and Belarus (raised by the Russian Federation); (iv) WTO-inconsistency of the latest notification of the safeguard measure on certain steel products by the United Kingdom informing that it has initiated a process to review the safeguard measure in light of the trade measures it has imposed on imports from the Russian Federation and Belarus (raised by the Russian Federation).

3.97. At the meetings of the *Trade-Related Investment Measures (TRIMs) Committee* on 12 October 2021 and 23 March 2022<sup>50</sup>, new or returning issues were raised, as per Table 3.22.

**Table 3.22 Concerns raised at the TRIMs Committee**

Measure(s) implemented by	Member(s) raising the concern
Indonesia – Comprehensive review of localization measures <sup>a</sup>	European Union, Japan, United States
Indonesia – Import restriction on carpets and other textiles <sup>b</sup>	Japan, European Union
Indonesia – Import restriction on air conditioners <sup>c</sup>	Japan
India – Import restriction on air conditioners <sup>d</sup>	Japan
Russian Federation – Measures implementing Russia's import substitution policy <sup>e</sup>	United States

a WTO documents G/TRIMS/Q/IDN/5, 14 May 2019; G/TRIMS/Q/IDN/6, 13 March 2020; G/TRIMS/Q/IDN/7, 7 June 2020; and G/TRIMS/Q/IDN/8, 17 July 2020.

b WTO document G/TRIMS/Q/IDN/9, 28 September 2021.

c WTO document G/TRIMS/Q/IDN/10, 28 September 2021.

d WTO document G/TRIMS/Q/IND/1, 28 September 2021.

<sup>48</sup> WTO document G/SG/M/59, 21 February 2022.

<sup>49</sup> WTO document G/SG/M/60, forthcoming.

<sup>50</sup> WTO documents G/TRIMS/M/50, 2 December 2021; and TRIMS/M/51, 25 April 2022.

- e WTO documents G/TRIMS/Q/RUS/4, 26 May 2016; G/TRIMS/Q/RUS/5, 27 September 2016; G/TRIMS/Q/RUS/6, 27 April 2017; G/TRIMS/Q/RUS/8, 24 January 2018; G/TRIMS/Q/RUS/7, 8 November 2017; G/TRIMS/Q/RUS/9, 22 March 2018; G/TRIMS/Q/RUS/10, 2 September 2020; and G/TRIMS/Q/RUS/11, 22 March 2022.

Source: WTO Secretariat.

3.98. At the meeting of the *Working Party on State Trade Enterprises* (STEs) of 13 May 2022<sup>51</sup>, trade concerns were raised on: (i) information described as "not available" in the recent STE notification of China (raised by the United States); (ii) Australia's decision to continue maintaining a monopoly for the export of rice from the state of New South Wales (raised by the European Union); (iii) whether India should also notify Vijaya Dairy, located in the State of Telangana, as an STE (raised by the European Union); (iv) India's decision not to identify any STE for pulses in its notifications submitted in 2019 (raised by Australia); (v) the continued non-notification of STEs by the Russian Federation (raised by European Union, United Kingdom and United States); (vi) and the low level of compliance with notification obligations (raised by European Union, Japan, United Kingdom and United States).

3.99. At the meetings of the *Council for Trade in Services* (CTS) held on 22 October 2021<sup>52</sup> and 11 March 2022<sup>53</sup>, concerns were reiterated about: (i) cybersecurity measures of China (raised by Japan and United States); (ii) 5G-related measures of Australia (raised by China); (iii) measures of the United States regarding Chinese service suppliers (raised by China); (iv) measures of India regarding Chinese services and service suppliers (raised by China); (v) measures by the Kingdom of Saudi Arabia on localization of customer services (raised by United States). At the October meeting, concerns were also repeated about measures of the Russian Federation requiring software pre-installation (raised by United States), and, at that occasion, the European Union also raised a concern about a measure of the Russian Federation related to Russian software.

3.100. The above Section provides evidence of the numerous trade concerns raised by G20 economies in the various WTO bodies between mid-October 2021 and mid-May 2022. For most of the review period, WTO committees and councils continued to hold meetings in hybrid format due to COVID-19 restrictions. Several new trade concerns were raised during the review period, and several had already been raised in previous periods, indicating persistent and unresolved issues. Also, some trade concerns were raised in more than one WTO body, suggesting that these concerns involve cross-cutting and technically complex issues. It may also suggest that WTO Members are continuing to use multiple platforms within the WTO committee structure to address various aspects of such concerns. The decision to raise a trade concern is systemically important because it brings added transparency. In addition, it demonstrates that Members are utilizing the WTO committees to engage trading partners on real or potential areas of trade friction or, as has been witnessed during the latter part of the review period, more general issues of concern.

3.101. As has been reiterated in previous Reports, a source of concern remains the repetition and non-resolution of the same trade concerns and issues in various WTO bodies. The Secretariat will continue to closely monitor developments in this area.

### 3.6 Policy developments in agriculture

3.102. The CoA provides a forum for WTO Members to discuss matters related to agricultural trade, and to consult on matters related to the implementation of commitments under the Agreement on Agriculture (AoA). The review work of the CoA is based on notifications that WTO Members make in relation to their commitments and on matters raised under Article 18.6 of the AoA (i.e. Specific Implementation Matters (SIMs)). The Committee has also been tasked with the monitoring of the implementation of specific outcomes reached under the agriculture negotiations. Additionally, the CoA takes up other matters, including the follow-up to the Marrakesh Decision on Least-Developed and Net Food-Importing Developing Countries (NFIDCs Decision). Since 2020, the Committee has also hosted discussions on "COVID-19 and Agriculture" to collectively review the impact of the pandemic on global agriculture and food systems and to monitor governments' policy responses to address its effects and aftershocks.

<sup>51</sup> WTO document G/STR/M/40, forthcoming.

<sup>52</sup> WTO document S/C/M/147, 19 November 2021.

<sup>53</sup> WTO document S/C/M/148, 14 April 2022.

3.103. From mid-October 2021 to mid-May 2022 (the review period), the CoA held one regular meeting, on 15-16 March 2022 (100th CoA meeting). Out of a total of 141 questions raised during that meeting, 74% (105 questions) related to policies implemented by G20 economies, including questions on SIMs under Article 18.6, individual notifications, and overdue notifications. Most questions concerning G20 economies' individual notifications related to domestic support notifications (over 71%) followed by questions on market access (23%). For matters under Article 18.6 (SIMs), more than half related to domestic support policies while 21% concerned policies affecting market access. The remaining SIMs targeted matters related to export prohibitions and restrictions on foodstuffs, and policies in the area of export competition (13% each).

3.104. In total, 12 G20 economies (counting the European Union as one) received 48 questions on 38 SIMs under Article 18.6 in the March 2022 meeting.<sup>54</sup> The annual average number of such questions concerning G20 economies' policies has been on the rise since 2011, reaching an all-time high average of 61 questions per meeting in 2020. These numbers include questions that were repeated over more than one meeting.

3.105. Out of the 38 SIMs raised in relation to policies implemented by G20 economies during the review period, close to half (47%) were discussed for the first time. Of these, around 55% related to domestic support programmes; SIMs concerning policies prohibiting or restricting exports of foodstuffs and those potentially affecting market access of agricultural products each accounted for 17% of issues. The remaining SIMs concerned export subsidies.

3.106. WTO Members sought clarifications on domestic support policies implemented by G20 members targeting specific sectors or products, including dairy (India's dairy Sahakar scheme), livestock (Canada's herd management and drought assistance programme and Canada's support to the pork industry), vegetables (Canada's support to Prince Edward Island potato producers), and biofuels (United States subsidies for biofuels from agricultural products). There were also questions raised on domestic support policies with a wider sectoral scope applied by five Members (Canada's support for the Next Gen Agriculture Mentorship programme, European Union's agricultural policies funded by national resources, India's increased budget for subsidy support for the use of fertilizers by farmers, the United States' Market Facilitation Programme, and Russian Federation's compensation to farmers).

3.107. SIMs in the area of market access targeted G20 measures that restricted, or had the potential to restrict, trade of agricultural products (India's mung beans import restrictions) including in relation to the potential market access implications of specific policies related to environmental objectives (Australia's ethanol tax and the United Kingdom's forest risk commodities provisions). Three SIMs related to G20 measures restricting or prohibiting exports of agricultural products, including palm oil (Indonesia's palm oil export restrictions), cereals (Argentina's export restrictions of wheat), and multiple agricultural products (Türkiye's export restrictions on agricultural products). Two SIMs sought further information and clarification on G20 policies that potentially subsidized exports of agricultural products (Türkiye and the United States).

3.108. Twenty SIMs, out of 38 discussed during the period under review, were follow-up on matters on policies implemented by G20 economies. Some of these matters have been raised multiple times in the CoA. For example, there are four SIMs that have been raised between 9 and 19 times in different CoA meetings attracting as many as 65 questions (Canada's new milk ingredient class – raised 19 times, Canada's dairy policies – raised 18 times, India's pulses policies – raised 16 times, and India's skim milk powder export subsidies – raised 9 times). Similarly, matters related to Canada's review of its TRQ system, Canada's compensation for farmers after trade concessions, European Union's environmental policies and India's public stockpiling have figured in the Committee's agenda on seven different occasions. Other agricultural policies of Argentina, China, European Union, Russian Federation, South Africa, and the United States were also the subject of repeated concerns under Article 18.6. All 38 SIMs concerning policies implemented by G20 economies (new and repeated), including questions, answers and follow-up comments can be accessed through the Agriculture Information Management System (AG IMS).<sup>55</sup>

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<sup>54</sup> Argentina, Australia, Canada, China, European Union, India, Indonesia, Russian Federation, South Africa, Türkiye, United Kingdom and United States.

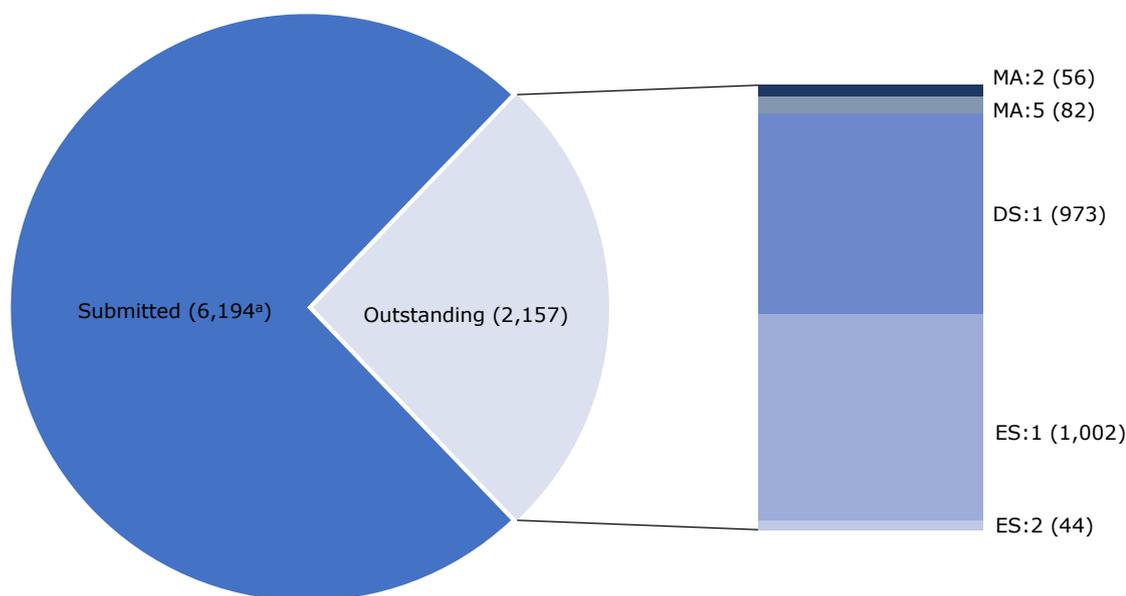
<sup>55</sup> Selecting the function "Search Q&A Submitted Since 1995" on the AG IMS (<http://aqims.wto.org/>) and input meeting number 100 and the concerned G20 members in the search criteria.

3.109. Members continued to implement the December 2015 Nairobi Ministerial Decision on Export Competition. Out of the 16 Members with positive export subsidy commitment levels in their schedules at the time of adoption of the Decision, 9 were G20 members. Seven of them (Australia, Brazil, Indonesia, Mexico, South Africa, Türkiye, and the United States) have had their revised export subsidy schedules certified; the other two (Canada and the European Union) circulated their draft revised schedules that are pending certification.

3.110. The CoA also continued its review of the implementation of Members' commitments under the AoA primarily based on notifications submitted by Members. Twelve distinct notification requirements are applicable in the domain of agriculture, covering the following areas: market access, domestic support, export subsidies, export prohibitions or restrictions, and the follow-up to the NFIDC Decision. The applicability of a notification requirement to a Member is largely dependent on its specific commitments under the AoA. Out of the 12 notification requirements, the following 5 are "regular" or "annual" notification requirements: (i) imports under tariff and other quotas (MA:2); (ii) special SGs (MA:5); (iii) domestic support (DS:1); (iv) export subsidies (ES:1); and (v) total exports (ES:2).<sup>56</sup>

3.111. At each meeting, the Committee reviews Members' compliance with their notification requirements under the AoA based on a background document prepared by the Secretariat. The latest revision considered by the CoA at its March 2022 meeting showed that for the period 1995-2020, there were a total of 2,157 outstanding regular notifications which represented around 26% of expected notifications. Out of the five annual notification requirements, Domestic Support (DS:1) and Export Subsidy (ES:1) notifications have the highest number of outstanding notifications with 35% (973 notifications) and 32% (1,002 notifications) of notifications pending, respectively (Chart 3.13).

**Chart 3.13 Outstanding notifications per type of notification requirement, 1995 to 2020**



a This number represents the count of reported years and does not necessarily match the number of notifications submitted since some notifications covered more than one year.

Source: WTO document G/AG/GEN/86/Rev.44, 2 March 2022.

3.112. For the same period, the G20 economies compliance ranked between 74% and 100% with an average compliance of 94%. Table 3.23 shows G20 members' average and specific compliance for the five regular notification requirements, whenever applicable.

<sup>56</sup> Annual notifications are required to be submitted no later than a certain number of days following the end of the year in question, in accordance with the deadlines set out in the Committee's Notification Requirements and Formats in WTO document G/AG/2, 30 June 1995.

**Table 3.23 Compliance percentage with annual notifications by G20 economies, 1995-2020**

G20 member	MA:2	MA:5	DS:1	ES:1	ES:2	Average compliance (%)
Argentina	n.a.	n.a.	85	96	96	92
Australia	96	100	92	100	100	98
Brazil	100	n.a.	100	100	100	100
Canada	96	100	88	100	100	97
China	100	n.a.	82	95	n.a.	92
European Union	100	100	92	100	100	98
India	100	n.a.	96	73	n.a.	90
Indonesia	92	92	100	92	92	94
Japan	100	100	92	100	n.a.	98
Korea, Republic of	100	100	92	96	n.a.	97
Mexico	100	100	96	100	100	99
Russian Federation	100	n.a.	89	100	n.a.	96
Saudi Arabia, Kingdom of	n.a.	n.a.	87	93	n.a.	90
South Africa	100	100	77	92	100	94
Türkiye	n.a.	n.a.	85	65	73	74
United Kingdom						n.a.
United States of America	100	100	96	100	100	99

n.a. Not applicable.

Note: "Compliance (%)", in WTO document G/AG/GEN/86/Rev.44 series, was calculated based on the number of reported years covered by each Member's notifications, issued as of 1 March 2022, compared to the total number of implementation years applicable to that Member for the period 1995-2020. A 100% compliance for a notification obligation refers to the circulation of all relevant notifications due for the period 1995-2020 before the cut-off date of 1 March 2022; it does not take into account the actual date of submission/circulation of the notifications. The compliance percentage does not therefore take into account the "timeliness" aspect of the notifications. The compliance also does not refer to the quality or content of the notifications.

Source: WTO document G/AG/GEN/86/Rev.44, 2 March 2022.

3.113. From 15 October 2021 to 15 May 2022, G20 economies submitted 66 notifications (including addenda and corrigenda). A total of 53 questions were raised concerning notifications from G20 economies during the March 2022 meeting. These questions accounted for more than 67% of all notification-related questions raised in the CoA in that meeting. Most questions (72%) concerned notifications related to domestic support, followed by questions on market access (23%). Four questions addressed overdue notifications from Canada, the European Union, and Türkiye.

### COVID-19 pandemic

3.114. At a special meeting of the CoA held on 18 June 2020, Members agreed to include "COVID-19 and Agriculture" as a standing item on the agenda of future CoA meetings and to also invite observer international organizations to contribute to the debate. The March 2022 meeting included discussions under this agenda item and provided Members with an opportunity to engage in a holistic discussion on the pandemic and the serious disruptions it has caused to the food and agriculture systems globally. Members monitored COVID-19 agricultural measures taken in response to the pandemic, including based on *ad hoc* reports. No *ad hoc* reports were submitted by G20 members during the period under review. A compilation of previous *ad hoc* reports of COVID-19 agricultural measures submitted to the CoA, including from G20 members, can be found in WTO document G/AG/W/209/Rev.1, 8 September 2021. Members also used the standard review process of the CoA to raise matters related to the COVID-19 governmental policy responses in the agricultural sector.

3.115. Observer international organizations contributed to discussions under the agenda item on COVID-19 and agriculture. The OECD<sup>57</sup>, the World Food Programme (WFP)<sup>58</sup>, and the Food and Agriculture Organization of the United Nations (FAO)<sup>59</sup> submitted reports to the CoA meeting outlining their work, and analysis, in relation to the pandemic. The OECD stated in its report that

<sup>57</sup> WTO document G/AG/GEN/194, 3 March 2022.

<sup>58</sup> WTO document G/AG/GEN/195, 3 March 2022.

<sup>59</sup> WTO document G/AG/GEN/199/Rev.1, 14 March 2022.

the onset of the COVID-19 pandemic in early 2020 had led to containment measures that resulted in a profound economic shock. However, the OECD also reported that governments had moved swiftly to keep agricultural supply chains functioning, including by designating agriculture and food as an essential sector and implementing nearly 800 measures across 54 countries in response to the pandemic. These policies had been generally successful in maintaining the overall functioning of food supply chains, albeit within an overall structure of agricultural support programmes that showed little change. The FAO underscored that global hunger had already worsened in 2020 under the COVID-19 pandemic, with estimates ranging from 70 million to 161 million more people facing hunger. The FAO also noted, however, that the efforts of governments and other agricultural stakeholders worldwide to keep agricultural markets open and agri-food trade flowing smoothly had contributed to remarkably resilient agricultural commodity markets. The WFP in its report stated that global and national economies were still grappling with the downfall resulting from the COVID-19 pandemic. The WFP highlighted that high food prices and low household purchasing power were major economic concerns for further increasing acute food insecurity. In parallel, the costs to deliver assistance by the WFP had increased due to higher procurement and shipping prices. In this regard, the WFP welcomed any measure adopted by WTO Members to facilitate smooth movement of WFP's humanitarian food assistance and referred to the commitment made by over 80 WTO Members in January 2021 not to impose export restrictions on foodstuffs purchased for non-commercial humanitarian purposes by the WFP.

### **Developments in the context of the war in Ukraine**

3.116. Global food market developments in the context of the war in Ukraine and the associated implications for food security worldwide dominated the discussions on the annual follow-up to the NFIDC Decision conducted at the March 2022 meeting of the Committee. Observer international organizations also contributed to the debate. The FAO's report<sup>60</sup> provided a detailed overview of the current global market situation and international price trends for major food commodities. The report stated that the FAO Food Price Index (FFPI) averaged 140.7 points in February 2022 representing a new all-time high (in nominal terms). The FAO's report highlighted that the conflict had the potential to exacerbate a situation of already rising international food prices by disrupting grain supplies from a key source of imports for many NFIDCs.

3.117. The International Grains Council (IGC) in its report<sup>61</sup> on the global grains and oilseeds market stated that IGC Grains and Oilseeds Index (GOI) spiked by 13%, touching its highest level in its 22-year history. This, in turn, fuelled concerns about potential food security risks, especially in import-dependent countries in Near East Asia and Africa. Concerns on rising international food prices, growing food import bills and the resulting food security challenges for least-developed and net-food importing developing countries were also expressed by the FAO. Strong calls were made to keep food supply chains open, be transparent, and resist adopting measures which could further aggravate global food security challenges.

### **Export restrictions**

3.118. Some of the measures put in place by WTO Members in response to the COVID-19 pandemic and the conflict included restriction or prohibition on exports of agricultural products. The AoA establishes disciplines for cases where Members institute export prohibitions or restrictions to prevent or relieve critical shortages of foodstuffs (Article 12). Transparency is at the heart of these disciplines. The AoA states that: (i) Members are to give due consideration to the effects of such prohibition or restriction on importing Members' food security; and (ii) before any Member institutes an export prohibition or restriction, it shall give notice in writing, as far in advance as practicable, to the CoA, comprising such information as the nature and the duration of such measure, and shall consult, upon request, with any other Member having a substantial interest as an importer with respect to any matter related to the measure in question. Based on the agreed notification requirements and formats established by the CoA, these written notices are referred to as ER:1 notifications. The AoA includes a special and differential treatment provision, whereby the above requirements do not apply to developing country Members unless the measure is taken by a developing country Member which is a net-food exporter of the specific foodstuff concerned.

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<sup>60</sup> WTO document G/AG/GEN/198 and corrigendum, 11 and 14 March 2022.

<sup>61</sup> WTO document G/AG/GEN/197/Add.1, 23 March 2022.

3.119. In the period under review, there were eight ER:1 notifications submitted to the CoA, of these one was submitted by a G20 member. The European Union notified a temporary export control measure for cereals introduced by Hungary<sup>62</sup> attributed to the disruption of grain supplies from the Black Sea region.

3.120. The following box provides some perspectives on global food security issues.

### Box 3.2 Global food security – some perspectives

The Black Sea region is of tremendous importance to global food security. In the 1990s, following the break-up of the Soviet Union, the region was a net importer of grain. Today, the Russian Federation and Ukraine account for 12% of the total calories traded in international markets. They are amongst the top five global exporters of many cereals and oilseeds, including wheat, barley, sunflower, and maize. Likewise, many importing countries strongly depend on the Black Sea region for their food security. North Africa and the Middle East import over 50% of their cereal needs from the two countries. Ukraine is also an important supplier of maize to the European Union and China. Fertilizer is an equally important area of international trade and is vital to global food security, with the Russian Federation accounting for 15% of global trade in nitrogenous fertilizer and 17% of trade in potash. Belarus accounts for an additional 16% of trade in potash. The impact of the conflict in the Black Sea region therefore poses serious risks to global food security.<sup>a</sup>

The consequences of the conflict between the Russian Federation and Ukraine, as with every recent crisis, has been a wave of trade restrictive measures (at least initially), higher food prices, and higher freight costs. At the G7 Extraordinary Meeting of Agricultural Ministers of 11 March 2022 in Berlin<sup>b</sup>, the G7 called on all countries to keep their food and agricultural markets open and to guard against any unjustified restrictive measures on exports. Immediately following the onset of the war, Ukraine too applied certain food export restrictions. The G7 declared that it recognized the extreme circumstances behind the export restrictions of Ukraine, and the vital importance of preserving the availability of food in the country.

The ongoing conflict, has resulted in, several food export bans, export licensing requirements, and compulsory domestic sales requirements that have come into force across a range of different countries and continents (from Moldova to Lebanon and Indonesia, by way of example). It has also seen movements in strategic food and fertilizer reserves, either to boost them or to order their release.

The total amount of exports affected by trade restrictions currently represent about 17% of total calories traded in the world, demonstrating the serious risk posed to global food security. Five agricultural products that account for almost 90% of imported calories are currently affected by the export restrictions: wheat (31% of total imported calories affected), palm oil (29%), corn (12%), sunflower oil (11%) and soybean oil (6%).<sup>c</sup> In fact, the Agriculture Market Information System (AMIS) has stated that export restrictions are of increasing concern and that they are expected to "further exacerbate price volatility and jeopardize global supplies."<sup>d</sup>

Worsening an already challenging post-COVID outlook, the conflict has led global wheat prices to rise to a 10-year high. Wheat is now trading at USD 523/tonne, and the world is witnessing a surge in wheat future contracts of over 50%. Egypt, the world's largest wheat importing country could see a rise in its food import bill from USD 3 billion to USD 6 billion soon.<sup>e</sup> A situation which the Egyptian government is trying to mitigate with various precautionary measures. Just recently, the World Food Programme (WFP) informed the WTO of the dramatic impact of the current situation on its cost of doing business, indicating that its procurement costs have now risen by 30% relative to 2019.<sup>f</sup>

While fertilizer prices were already high, the war in Ukraine has pushed prices up further, potentially affecting food output in different parts of the world beyond 2022. Export restrictions and licensing requirements for fertilizer were implemented in the Republic of Korea, China, the Kyrgyz Republic, the Russian Federation, and Ukraine, and have contributed to higher fertilizer and food prices globally. These export restrictions are having serious impacts on several vulnerable countries: Mongolia has seen 98% of its fertilizer supply restricted, Nicaragua 80%, Ecuador 74%, Cote d'Ivoire 63%, Cameroon 60%, and Azerbaijan 43%, among others.<sup>g</sup>

In a Joint Statement issued on 12 April of this year, the heads of the WTO, World Bank Group, and the IMF called "on the international community to urgently support vulnerable countries through coordinated actions ranging from provision of emergency food supplies, financial support, increased agricultural production, and open trade."<sup>h</sup> The United Nations Secretary General also established the Global Crisis Response Group (GCRG) to help decision makers develop solutions, strategies and recommendations to help all countries, weather the crisis. The WTO Secretariat has been an active participant in the food and fertilizer workstreams of the GCRG. Preliminary analysis of the Group suggests that as many as 1.7 billion people in 107 economies are exposed to at least one of three risks – food, energy, and finance due to the conflict.

On 13 April of this year, the GCRG issued Brief No. 1, Global Impact of War in Ukraine on Food, Energy and Finance Systems<sup>j</sup>, urging countries to keep their food markets open and to cease trade restrictions and export bans to maintain international trade in food and fertilizers and domestic and global demand. The Brief made two recommendations specific to the WTO. It urged WTO Members to consider strengthening the obligation

<sup>62</sup> WTO document G/AG/N/EU/77, 13 April 2022.

to provide advance notice prior to imposing export restrictions on food, so that importing countries have more time to adjust; and to consider exempting the purchases of food by WFP for humanitarian assistance from food export restrictions with immediate effect as of MC12.

- a Viewed at: <https://www.ifpri.org/blog/bad-worse-how-export-restrictions-exacerbate-global-food-security>.
- b Viewed at: <https://www.fas.usda.gov/sites/default/files/2022-03/g7-extraordinary-meeting-statement.pdf>.
- c Viewed at: <https://www.ifpri.org/blog/bad-worse-how-export-restrictions-exacerbate-global-food-security>.
- d Viewed at: <http://www.amis-outlook.org/amis-monitoring/monthly-report/en/#.YnvGFoxBxPY>.
- e Viewed at: <https://www.ifpri.org/blog/russia-ukraine-crisis-poses-serious-food-security-threat-egypt>.
- f WTO document G/AG/GEN/195, 3 March 2022 "COVID-19 and Agriculture", Submission by the WFP.
- g Viewed at: <https://www.ifpri.org/blog/high-fertilizer-prices-contribute-rising-global-food-security-concerns>.
- h Viewed at: <https://www.worldbank.org/en/news/statement/2022/04/13/joint-statement-the-heads-of-the-world-bank-group-imf-wfp-and-wto-call-for-urgent-coordinated-action-on-food-security>.
- i Viewed at: <https://news.un.org/pages/global-crisis-response-group/>.
- j Viewed at: <https://news.un.org/pages/wp-content/uploads/2022/04/UN-GCRG-Brief-1.pdf>.

Source: WTO Secretariat.

### 3.7 General economic support

3.121. At the 9 December 2021 TPRB meeting dedicated to discussing the Director-General's Annual Overview of Developments in the International Trading Environment<sup>63</sup>, WTO Members engaged in a comprehensive and constructive exchange of views. Introducing her Report to the meeting, the Director-General underlined the value of the Trade Monitoring exercise, a multilateral and cross-cutting transparency exercise. In the context of trade responses to the COVID-19 pandemic, several delegations expressed their strong support for the WTO Trade Monitoring exercise as a platform for transparency and predictability.

3.122. Since July 2017, the Secretariat has been unable to justify the inclusion of a separate Annex on general economic support measures in the Trade Monitoring Reports. This has been partly due to the low participation and response rate of WTO Members to the request for information, and partly because such an Annex would be biased against those Members that traditionally share and publish detailed information on such measures. Compounding the lack of information volunteered by Members, some delegations have often insisted on excluding general economic support measures identified by the Secretariat from public sources and for which verification was sought.

3.123. Recent TPRB meetings have generated an exchange of views on how to address this issue, with several Members emphasizing the need to preserve and strengthen transparency through the Trade Monitoring Exercise. Several Members welcomed the online COVID-19 support measures list<sup>64</sup> compiled by the WTO Secretariat, which was put in place in the early stages of the pandemic. The list provides an informal situation report and is an attempt to enhance transparency around support measures taken in response to the COVID-19 crisis. It includes only information and measures communicated by delegations directly to the WTO Trade Monitoring Section and only in the original language of the submission.

#### Regular economic support measures (not related to COVID-19)

3.124. In response to Director-General's 7 March 2022 request for information for this Trade Monitoring Report, 35 WTO Members<sup>65</sup> volunteered information on 22 general economic support measures unrelated to the pandemic, of which 11 were provided by G20 economies. The Secretariat's own research suggests that during the review period many more support measures with potentially important ramifications for trade were implemented by WTO Members.

3.125. During the review period, regular support measures communicated by WTO Members and those identified by the Secretariat included several measures to support farmers and the agricultural sector, including incentives to strengthening sustainable development and technologies that increase

<sup>63</sup> WTO document WT/TPR/OV/24, 22 November 2021.

<sup>64</sup> WTO, *COVID-19: Support Measures*. Viewed at: [https://www.wto.org/english/tratop\\_e/covid19\\_e/trade\\_related\\_support\\_measures\\_e.htm](https://www.wto.org/english/tratop_e/covid19_e/trade_related_support_measures_e.htm).

<sup>65</sup> Counting the EU (27) and its members separately.

agricultural productivity. Other measures included drawback regimes and assistance to exporting businesses, including reductions or cancelation of fees in customs declarations to empowering local industries' exports and credit guarantee schemes. Some measures included loans, financial and tax incentives to support activities of MSMEs and businesses, and investments to promote the use or development of digital technologies, as well as general stimulus packages. Other measures included green incentives, such as aid schemes relating to renewable sources of energy or transition funds to the automotive sector aimed at zero emissions automotive supply chains and increased production of electric vehicles.

3.126. Several of these economic support measures were multi-year programmes, with financial disbursements staggered over the lifetime of a project and some were one-off grants or aid schemes.

### **COVID-19-related economic support measures**

3.127. In response to Director-General's 7 March 2022 request for information, 43 Members<sup>66</sup> volunteered some additional 59 COVID-19-related support measures to the Secretariat, of which 27 were from by G20 economies.

3.128. Since the beginning of the pandemic, at least 1,727 COVID-19-related economic support measures have been put in place by 112 Members and 7 Observers.<sup>67</sup> Of these, as at 30 May 2022, 1,083 (63%) were communicated to the WTO Secretariat. This number includes 66 COVID-19-related support measures for MSMEs that were communicated to the Trade Monitoring Section by 49 Members following the recommendation adopted by the Informal Working Group on MSMEs to further increase transparency and provide, on a voluntary basis, information on policies related to MSMEs. Of the 1,727 COVID-19-related economic support measures, 702 were implemented by G20 economies, of which 386 (55%) were communicated to the Secretariat.

3.129. The unprecedented number of COVID-19-related support measures put in place since the beginning of the pandemic far exceeds the activity seen in the wake of the global financial crisis of 2008-09. The COVID-19-related support measures came in the form of grants, loans or stimulus packages targeting sectors of the economy heavily affected by the pandemic, including agriculture, health, aviation, transport, tourism, education, and culture, as well as fiscal and financial measures to support businesses and MSMEs and broader stimulus packages. Another set of support measures put in place by governments in response to the COVID-19 pandemic included measures implemented by Central Banks.

3.130. COVID-19-related support measures generally appear to be temporary in nature. Although the vast majority of measures were implemented in 2020, more than 400 were announced or implemented in 2021 and more than 80 in 2022. Some of the measures implemented in the early stages of the pandemic were extended in 2021 and some in 2022, but overall, the flow of new COVID-19-related support measures has slowed significantly since in the second half of 2021. Some of these measures formed part of rescue plans staggered over several years or stimulus packages worth several trillion US dollars. The large stimulus packages and economic support measures introduced by several governments have helped to mitigate the economic impact of the pandemic and Central Banks in some countries have started raising interest rates to address rising inflation or cut back their bond purchasing programmes.

3.131. The responses of high-income economies have been significantly more generous in terms of the number and variety of measures implemented and funds allocated than those offered by lower-income economies. The latter's responses have often relied on funding or other assistance obtained from international organizations and/or donors. The Secretariat identified 473 bilateral and multilateral assistance<sup>68</sup> measures that have been received since the beginning of the pandemic by 122 Members and Observers to address the COVID-19 crisis. Half of those related to vaccination roll-outs and bilateral vaccine donations while others included additional financing for governments

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<sup>66</sup> Albania; Australia; Bangladesh; Belize; European Union (counting the EU (27) and its members separately); Honduras; Hong Kong, China; Indonesia; the Republic of Korea; Myanmar; Nepal; the Philippines; the Kingdom of Saudi Arabia; Thailand; Türkiye; and the United Kingdom.

<sup>67</sup> Azerbaijan, Belarus, Equatorial Guinea, Ethiopia, Iraq, Lebanon and Serbia.

<sup>68</sup> Multilateral assistance refers to assistance from international organizations and regional development banks.

to address the pandemic in the forms of loans, grants, and donations of medical devices. Several assistance measures were also provided to support the education sector and MSMEs.

### **Developments in the context of the war in Ukraine**

3.132. Since 24 February 2022, the Secretariat has identified, a large and growing number of general economic support measures announced or put in place by Members and Observers in response to the conflict between the Russian Federation and Ukraine aimed at cushioning the economic blow from rising fuel and raw material prices, and food shortages. Several of the identified support measures were announced or implemented by G20 economies.

3.133. Several support measures consisted of specific funds or support packages to ensure food reserves for food security purposes, support food production in the agricultural sector, encourage farmers to plant additional crops, mitigate rising food prices and soaring input costs and help farmers overcome an acute liquidity crisis caused by high inflation and rising energy prices. Some programmes granted additional flexibility to farmers in terms of tax deadlines or provided sector specific state-guaranteed loans and subsidies. Support packages were put in place to help farmers and businesses reduce the burden of high fuel and energy prices. Finally, subsidies on fertilizers often featured as part of broader food security programs.

3.134. The conflict-related economic support measures identified so far range from modest, but very targeted, programmes from around USD 1 million to those of more than USD 500 million. Compared to the COVID-19-related support measures, the conflict-related support measures are few and their overall monetary value relatively modest. This is an area which will require further monitoring in the context of a longer conflict and its negative effects on world food markets. In addition, growing inflationary pressures will likely put this sort of support further under scrutiny.

3.135. The above subsections have captured activities in regular, COVID-19-related and conflict-related economic support measures for the period between mid-October 2021 and mid-May 2022. Governments around the world have faced multiple crises during the review period, with the COVID-19 pandemic, the war in Ukraine, growing inflation and food shortages. Certainly, the economic support provided to address the social and economic impacts of the pandemic was major and unprecedented, in terms of number and variety of support measures. Although some of the COVID-19 support measures implemented in the early stages of the pandemic were extended in 2021 and 2022, overall, the flow of new COVID-19-related support measures has slowed significantly since in the second half of 2021.

### **3.8 Other selected trade policy issues**

3.136. The following Section provides a brief overview of the other selected trade policy issues where important developments took place during the review period between 16 October 2021 and 15 May 2022.

3.137. On 17 June, WTO Members successfully concluded the 12th Ministerial Conference (MC12) in Geneva with negotiated outcomes on a series of key trade initiatives which contains unprecedented decisions on fisheries subsidies, WTO response to health emergencies, including a patent waiver for COVID-19 vaccines, food security, and WTO reform. These and other issues addressed at MC12 will be covered in more detail in the end-year Trade Monitoring Reports. All documents related to the outcome of MC12 can be found on the WTO website.<sup>69</sup>

### **Discussions at the General Council of developments in relation to COVID-19 and to the war in Ukraine**

3.138. The General Council has seen WTO Members engage on COVID-19-related matters on several occasions during the review period. Delegations have also referred to the conflict between the Russian Federation and Ukraine as part of their statements under various other agenda items at

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<sup>69</sup> WTO Ministerial Conference, MC12:  
[https://www.wto.org/english/thewto\\_e/minist\\_e/mc12\\_e/documents\\_e.htm](https://www.wto.org/english/thewto_e/minist_e/mc12_e/documents_e.htm).

regular meetings of the General Council – including on 24 February and on 9-10 May 2022, as well as at the special meeting of the General Council on 31 March 2022.<sup>70</sup>

3.139. At the 22-23 November 2021, 23-24 February, and 9-10 May 2022 General Council meetings<sup>71</sup>, the TRIPS Council Chair reported on the discussions on the proposed waiver on some TRIPS provisions by India, South Africa and other co-sponsors<sup>72</sup> in relation to the prevention, containment or treatment of COVID-19. At the May meeting, the TRIPS Council Chair noted that, on 3 May, a communication containing the outcome of informal discussions between a group of Ministers had been circulated for discussion in the TRIPS Council.<sup>73</sup>

3.140. At the 22-23 November 2021 General Council meeting, the General Council Chair-appointed Facilitator delivered his final report on the multilateral process on the WTO response to the pandemic. Subsequently, the General Council Chair continued to facilitate the discussions among Members and reported on this work at the 23-24 February General Council meeting. The Facilitator provided a further update to the General Council meeting on 9-10 May. After the May General Council meeting, WTO documents JOB/GC/304, JOB/GC/305 and JOB/GC/306 were circulated on 13 May 2022.

3.141. At the 9-10 May 2022 General Council meeting<sup>74</sup>, Brazil introduced its communication on Intellectual Property, Transfer of Technology and Capacity Building for COVID-19 and Beyond.<sup>75</sup>

3.142. At the same meeting the United Kingdom, on behalf of the co-sponsors<sup>76</sup>, made a statement on Open and Predictable Trade in Agricultural and Food Products.<sup>77</sup> Under this item several delegations made reference to the conflict between the Russian Federation and Ukraine. At the same meeting, the Russian Federation presented its communication and made a statement on the Trade-Disruptive Practices of Certain Members and their Implications for the WTO.<sup>78</sup> During the discussion, the following communications were also referred to by their respective co-sponsors: Joint statement on aggression by the Russian Federation against Ukraine with the support of Belarus<sup>79</sup>; Joint statement regarding the application from Belarus for accession to the WTO<sup>80</sup>; and a communication from the Russian Federation.<sup>81</sup>

3.143. The MC12 Ministerial Declaration on the WTO Response to the COVID-19 pandemic and preparedness for future pandemics can be found in WTO document WT/MIN(22)/W/13, 10 June 2022.

## Trade and environment

3.144. Debates at the October 2021 and February 2022 meetings of the Committee on Trade and Environment (CTE) have continued to look at global issues at the intersection between trade and environmental policies. WTO Members held dedicated discussions at the CTE on several topics, *inter alia*, circular economy and plastics; trade and climate change; Fossil Fuel Subsidies Reform (FFSR); sustainable supply chains; and the preparations for and the results of COP26.<sup>82</sup>

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<sup>70</sup> WTO documents WT/GC/M/196, 4 May 2022; WT/GC/M/198, forthcoming; and WT/GC/M/197, 5 May 2022.

<sup>71</sup> WTO documents WT/GC/M/194, 14 February 2022; WT/GC/M/196, 4 May 2022; and WT/GC/M/198, forthcoming.

<sup>72</sup> The co-sponsors of WTO document IP/C/W/669/Rev.1 and its addenda are the African Group, Argentina, Plurinational State of Bolivia, Egypt, Eswatini, Fiji, India, Indonesia, Jordan, Kenya, the LDC Group, Malaysia, Maldives, Mozambique, Mongolia, Namibia, Pakistan, South Africa, Vanuatu, Bolivarian Republic of Venezuela and Zimbabwe.

<sup>73</sup> WTO document IP/C/W/688, 3 May 2022.

<sup>74</sup> WTO document WT/GC/M/198, forthcoming.

<sup>75</sup> WTO document WT/GC/W/845, 28 April 2022.

<sup>76</sup> Albania; Australia; Canada; Chile; Costa Rica; European Union; Georgia; Iceland; Israel; Japan; Republic of Korea; Liechtenstein; Mexico; Republic of Moldova; Montenegro; New Zealand; North Macedonia; Norway; Paraguay; Singapore; Switzerland; Chinese Taipei; Ukraine; United Kingdom and United States.

<sup>77</sup> WTO document WT/GC/248, 6 May 2022.

<sup>78</sup> WTO document WT/GC/245, 16 March 2022.

<sup>79</sup> WTO document WT/GC/244, 15 March 2022.

<sup>80</sup> WTO document WT/GC/246, 24 March 2022.

<sup>81</sup> WTO document WT/GC/247, 6 April 2022.

<sup>82</sup> Minutes of the October 2021 CTE meeting, WTO document WT/CTE/M/73, 21 January 2022; Minutes of the February 2022 CTE meeting, WTO document WT/CTE/M/74, forthcoming.

3.145. Members continued discussions on trade-related aspects of the EU Green Deal, including the plan to establish a Carbon Border Adjustment Mechanism (CBAM) and the proposal for new rules to curb EU-driven deforestation. Members were also continuously briefed on the progress made in the three environmental initiatives: (i) Structured Discussions on Trade and Environmental Sustainability (TESSD); (ii) Informal Dialogue on Plastics Pollution and Environmentally Sustainable Plastics Trade (IDP); and (iii) Fossil Fuel Subsidy Reform (FFSR). At a joint event on 15 December 2021, the three initiatives launched their respective Ministerial Statements, putting environmental concerns at the heart of future trade discussions.

### Trade facilitation

3.146. The Trade Facilitation Agreement (TFA) entered into force on 22 February 2017, when two thirds of WTO Members presented their corresponding instruments of acceptance. At the conclusion of the review period, 155 Members (94.5% of the WTO Membership) had notified the WTO of their domestic ratification of the TFA and had deposited the instruments of acceptance. During the period under review, India and Indonesia submitted notifications concerning the implementation of categories A, B and C, as well as transparency notifications under Articles 1.4, 10.4.3, 10.6.2 and 12.2.2, of which one concerned COVID-19 measures. Two WTO Members notified technical assistance and capacity-building activities, in accordance with Article 22.

3.147. During the review period, the WTO's Trade Facilitation Agreement Facility (the Facility, or TFAF) ended the moratorium (imposed in October 2020) on the delivery of its technical assistance activities. This was enabled by the introduction of new transparency measures to support Members' visibility of technical assistance requests in October 2021. The new approach was formalized in March 2022 by the adoption in the WTO Committee on Trade Facilitation of a new governance framework, establishing, *inter alia*, the relationship between the Committee and the Facility.<sup>83</sup>

### Regional trade agreements (RTAs)

3.148. The G20 economies continue to account for a major share of current RTAs. Out of the eight RTAs notified in the six months leading up to 15 May 2022, seven included at least one G20 economy. As at 15 May 2022, 355 RTAs had been notified to the WTO and were in force.<sup>84</sup> Of these RTAs, around two thirds (68%) involve at least one G20 economy. While most RTAs involving G20 economies include provisions in goods and services, for some, notably Argentina, Brazil, the Russian Federation and South Africa, most RTAs involve trade in goods only (Chart 3.14).

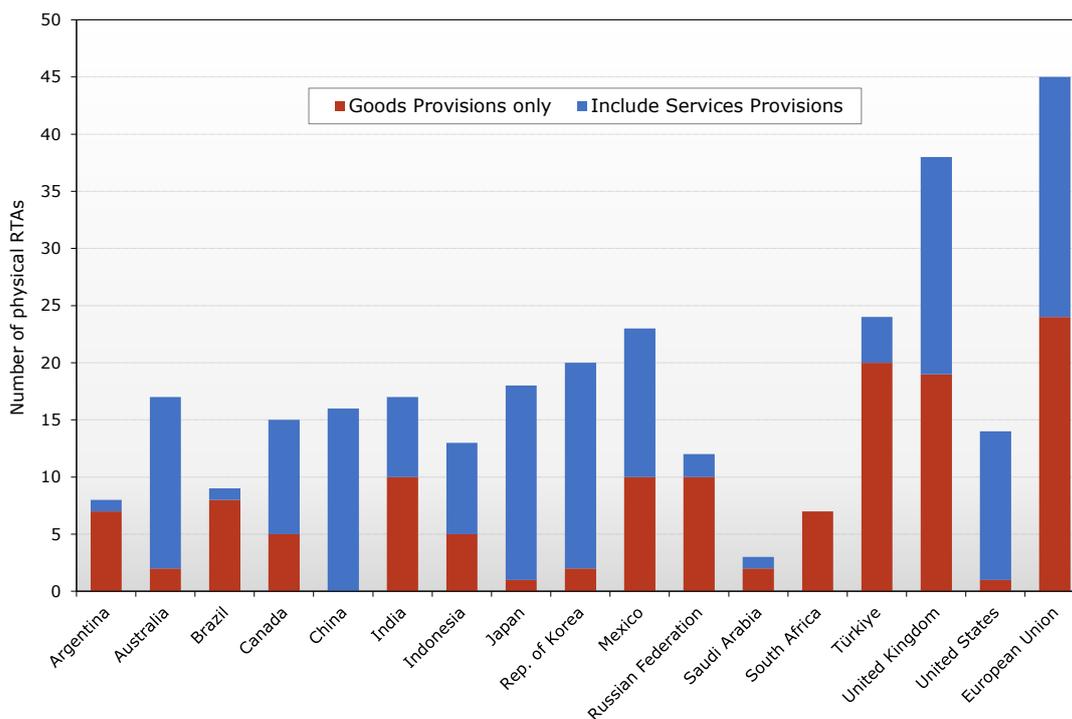
3.149. In addition to the liberalization of trade in goods and services, most G20 RTAs increasingly include other provisions. They tackle issues that are not barriers at the border, but nevertheless have an impact on trade. Such provisions include subsidies, SPS standards, TBT, and regulations on labour and environment, competition, government procurement, and dispute settlement. Chart 3.15 shows that the number of G20 RTAs that have such provisions range from 23% for subsidies in services to 92% with provisions on dispute settlement. The frequency of several such provisions is greater in RTAs involving G20 economies than for all RTAs. This includes provisions such as government procurement, investment liberalization, State Owned Enterprises (SOEs), electronic commerce, environment, labour, and small and medium-sized enterprises. For other provisions, the share is either identical (subsidies in services and TBT provisions) or slightly lower (competition, subsidies in goods, SPS provisions and dispute settlement).

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<sup>83</sup> WTO document G/TFA/3, 5 April 2022.

<sup>84</sup> The WTO RTA Database (viewed at: <http://rtais.wto.org>) provides updated information on all RTA notifications submitted by WTO Members.

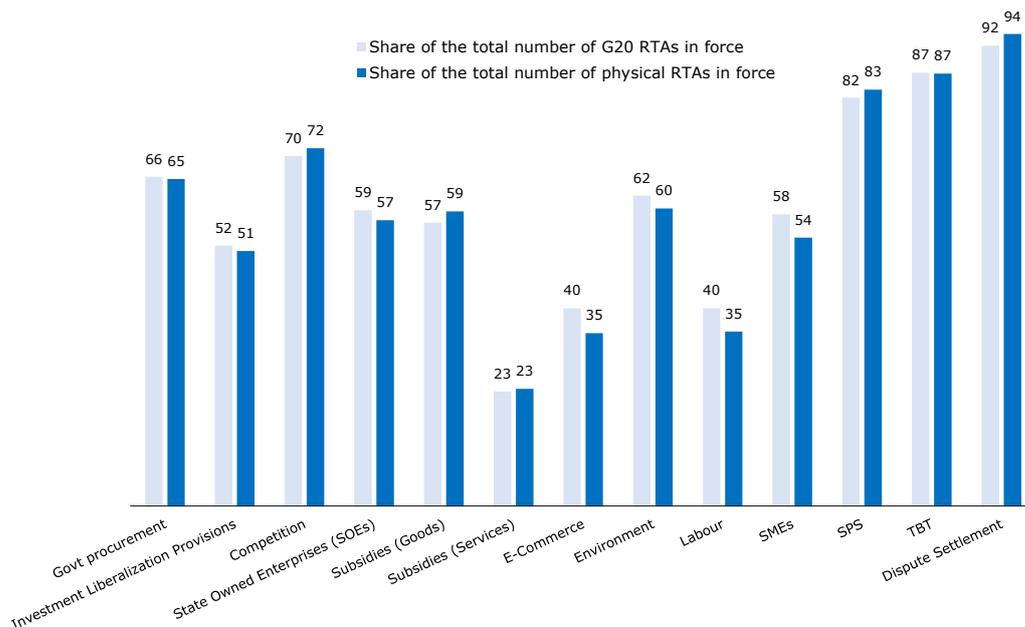
**Chart 3.14 G20 RTAs**



Source: WTO Secretariat.

**Chart 3.15 Key provisions in G20 RTAs and all RTAs**

(%)



Source: WTO Secretariat.

**Government procurement**

3.150. The plurilateral WTO Agreement on Government Procurement 2012 (GPA 2012) is an important instrument for keeping GPA Parties' government procurement markets open and safeguarding good governance in their government procurement markets. Currently, the Agreement

has 21 Parties, covering 48 WTO Members<sup>85</sup>, including 10 G20 economies.<sup>86</sup> Thirty-five WTO Members/Observers and four international organizations participate as Observers in the Committee on Government Procurement (CGP). In late 2021, the Kingdom of Bahrain announced at the WTO that it would consider the possibility of joining the GPA 2012, subject to conformity with national legislation and practices. Significant progress was also made on the GPA 2012 accession of Brazil, the first Latin American economy to have initiated this process.

### Trade finance

3.151. Trade financing has been sensitive to the environmental, public health, and global security challenges facing the world economy. Access to trade finance by many low-income countries has become more difficult since the beginning of the pandemic as international banks withdrew their credit and confirmation lines, and sovereign ratings deteriorated. Multilateral development banks (MDBs) have had to step in to facilitate the flow of essential food and medical supplies to the poorest countries. The cumulated amount of trade transactions supported in 2020 and 2021 is estimated to be in the order of USD 30 billion-USD 35 billion a year, higher than during the global financial crisis (USD 20 billion a year).

3.152. Although the risk appetite of international lenders improved for middle-income countries with the recovery of trade in 2021, MDBs continued to face an excess demand for trade finance facilitation (guaranteeing the payment risk) in low-income countries, particularly from countries which have not seen their sovereign rating improve, countries experiencing high and/or growing macroeconomic vulnerabilities, and net food importing poor countries in the face of an increasing food and energy bill. While financial sanctions arising from the war in Ukraine have to a large extent excluded trade in food products, practical difficulties in processing payments of suppliers, resulting from cautious behaviour by financial operators, have been reported to affect commercial clients as well as the World Food Program.

### Fisheries subsidies

3.153. In line with the mandate in Target 14.6 of the Sustainable Development Goals and from MC11, work continued on an agreement to prohibit subsidies that contribute to illegal fishing and to overcapacity and overfishing, with special and differential treatment integral to the negotiations. With MC12 then scheduled to begin on 30 November 2021, the negotiations in the fall of 2021 were focused on improving the draft text that had been discussed at a meeting of the Trade Negotiations Committee held in virtual format at Ministerial level on 15 July. Based on proposals and suggestions from Members and following intensive discussions in the Negotiating Group on Rules, a revised version of the draft text was distributed to Members on 8 November.<sup>87</sup> This text was also the subject of further negotiation, and a draft Agreement on Fisheries Subsidies was sent to Ministers on 24 November<sup>88</sup> with the expectation that at MC12 they would engage on the basis of this draft, resolve outstanding issues and reach agreement. However, restrictions on travel to address developments in the COVID-19 pandemic meant that the Conference was again postponed. Nevertheless, work continued in the spring of 2022. The Chair engaged in an intensive and focused round of negotiations in different formats with the objective of resolving the remaining issues in advance of MC12. The agreement on fisheries subsidies was reached at MC12. The text can be found in WTO document WT/MIN(22)/33, WT/L/1144, 22 June 2022.

### Electronic commerce

3.154. Discussions on electronic commerce are continuing under two parallel tracks – multilaterally under the General Council and its relevant subsidiary bodies, and under the Joint Statement Initiative (JSI) on Electronic Commerce. In both settings, delegations are reiterating the important role of e-commerce in supporting economic recovery in the context of COVID-19 and the need to address development-related challenges, including the digital divide.

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<sup>85</sup> The European Union and its 27 member States are covered by the Agreement as one Party.

<sup>86</sup> Australia, Canada, European Union, France, Germany, Italy, Japan, Republic of Korea, United Kingdom and United States.

<sup>87</sup> WTO document TN/RL/W/276/Rev.2, 8 November 2021.

<sup>88</sup> WTO document WT/MIN(21)/W/5, 24 November 2021.

3.155. At the multilateral level, discussions on the Work Programme and on the moratorium on customs duties on electronic transmissions have been intensifying. The Work Programme was discussed extensively at the General Council meetings in November 2021 and February 2022. Members continued to discuss several submissions, including a submission in the General Council on the need for clarity on the scope and impact of the moratorium as well as a submission in the Committee on Trade and Development on global electronic commerce for inclusive development. In the Council for Trade in Services, Members continue to share national experiences and initiatives.

3.156. In preparation for MC12, prior to its postponement, the Chair of the General Council conducted consultations on a possible draft Ministerial Decision. A group of Members led by Switzerland presented a draft Ministerial Decision calling for the continuation of the Work Programme and the extension of the moratorium until MC13. A second draft submitted by India, South Africa and Indonesia contains some preambular text and language on the reinvigoration and extension of the Work Programme. The MC12 Decision on the e-commerce moratorium and Work Programme can be found in WTO document WT/MIN(22)/32, WT/L/1143, 22 June 2022.

3.157. In the context of the JSI on e-commerce, participants had achieved convergence on seven articles at the end of 2021, namely online consumer protection; electronic signatures and authentication; unsolicited commercial electronic messages (spam); open government data; electronic contracts; transparency; and paperless trading. Participants are continuing their negotiations in 2022 based on the September 2021 Consolidated text, which categorizes proposals under six broad themes: enabling e-commerce; openness and e-commerce; trust and e-commerce; cross-cutting issues; telecommunications; and market access. Small groups on customs duties; source code; open Internet access; electronic invoicing; electronic transactions frameworks and cybersecurity are ongoing. At a press conference held on 14 December 2021, the co-convenors (Australia, Japan and Singapore) issued a joint statement acknowledging the progress made thus far in the negotiations and highlighting the need for continued engagement to secure convergence on the majority of remaining issues by the end of 2022. On 13 June 2022, during the MC12, the same co-convenors issued another joint statement reaffirming their commitment to the timely conclusion of e-commerce negotiations, and, together with Switzerland, launched the E-commerce Capacity Building Framework to strengthen digital inclusion and to help developing and least developed countries harness the opportunities of digital trade

### **Micro, small and medium-sized enterprises (MSMEs)**

3.158. Established in 2017 at MC11 and open to all, the WTO Informal Working Group on MSMEs (MSME Group) is an inclusive group of 94 WTO Members with the shared objective of improving access to international trade for MSMEs.

3.159. Work by the MSME Group focused on implementation of the December 2020<sup>89</sup> package. Related to Annex 1, a database of MSME-related information in TPRs was published online at the end of 2021. Forty Members have also verified their information as per Annex 2 and Canada and Uruguay have completed agreements to automatically transmit their trade data to the WTO Secretariat as per Annex 5.

3.160. A MSME Group Declaration<sup>90</sup> for MC12 was finalized and cleared by the Group in September 2021 and 100 WTO Members and Observers have endorsed the final draft. The Group continues to explore MSME issues, in particular access to finance, cyber readiness, and environmental sustainability. The Trade4MSMEs platform, an online resource aggregating trade information for MSMEs and policymakers, was launched in December 2021. Additionally, the Group recognized four winners from its Digital Champions for Small Businesses initiative joint with the ICC and ITC in December 2021. The MSME Group, ICC and ITC intend to continue this initiative annually with new themes announced annually on MSME Day.

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<sup>89</sup> WTO document INF/MSME/4/Rev.2, 6 October 2021.

<sup>90</sup> WTO document INF/MSME/W/36/Rev.1, forthcoming.

## 4 POLICY DEVELOPMENTS IN TRADE IN SERVICES

### Regular measures affecting trade in services

4.1. During the review period, G20 economies introduced 26 new measures affecting trade in services. This is considerably fewer than reported in previous reports. The following is a broad overview of these measures and Annex 4 in the Addendum to this Report provides additional information on them.

#### *Measures related to communication services, e-commerce and digitally enabled services*

4.2. Various G20 governments adopted new measures in relation to the communications sector, Internet- and other network-enabled services, or computer services. In China, the government issued the New Measures for Cybersecurity Review, effective since 15 February 2022. It amends the Measures for Cybersecurity Review released on 10 July 2021. The new measures require the cybersecurity review of critical information infrastructure (CII) operators that purchase network products and services which affect or may affect national security, as well as network platform operators that conduct data processing activity which affects or may affect national security or that hold personal information on more than one million users and plan to list their shares overseas.

4.3. The Kingdom of Saudi Arabia issued a new law requesting that foreign companies that process personal data of Saudi residents appoint a local representative licensed for that purpose. Transfers of data outside of Saudi Arabia may be made for limited purposes specified in the law, or for "other purposes" to be set out in forthcoming regulations. Approval by authorities is required before transferring personal data abroad. Germany introduced a new law, effective from 1 December 2021, regulating data protection and privacy in telecommunications and telemedia, especially the protection of confidentiality of communications, the protection of traffic data and privacy of end-users. The law replaces the data protection provisions of the Telemedia Act and the Telecommunications Act, aiming to provide greater clarity and legal certainty.

4.4. In India, a new measure allows full foreign ownership under the automatic route in the telecommunication services sector, instead of a maximum of 49% foreign ownership in the past. However, an entity from a country that shares a land border with India, or where the beneficial owner of an investment into India is from such country, can still only invest under the government route. The Russian Federation issued a new decree clarifying aspects of the Onshoring Law of July 2021 (Federal Law on Activities of Foreign Persons in the Information and Telecommunication Network Internet in the Territory of the Russian Federation), which required foreign Internet companies to establish a local presence. The Decree stipulates that the Onshoring Law would apply to hosting providers and other persons that host web services used by Russians if they process data about users residing in the Russian Federation, receive payments from Russian persons, or put online information resources used by persons residing in the Russian Federation.

#### *Financial services*

4.5. In the insurance services sector, India now allows foreign investment up to 20% in Life Insurance Corporation of India (LIC), India's state-owned, and largest, insurance company. Until this amendment, foreign institutional investors were allowed to hold up to 74% of private insurance companies and up to 20% of state-owned banks but were not permitted to own shares in LIC. The amendment allows foreign pension funds, insurance companies and mutual funds to participate in LIC's initial public offering. In China, a notice was issued that removes access conditions for overseas insurance brokerage companies to set up insurance brokerage companies and allows foreign insurance groups to set up insurance professional intermediaries.

4.6. China adopted new Measures for the Supervision and Administration of the Directors, Supervisors, Senior Executives, and Practitioners of Securities Fund Operating Institutions (effective since 1 April 2022), which removes restrictions on the proportion of overseas personnel serving as senior executives in operating institutions, among other things. Since October 2021, the Reserve Bank of India allows multinational banks operating in India to store a limited set of data in offshore servers (e.g., name and address of client, some know-your-customer details along with selected transaction particulars like date and amount, name of beneficiary, and reference number).

### ***Other services measures***

4.7. Some other notable measures were taken in sectors not covered above. For example, in Brazil, since 10 January 2022, cabotage rules were relaxed in the maritime transport services sector. Brazilian Navigation Companies are now allowed to bareboat charter foreign vessels for cabotage transport without the need for proof of tonnage. Initially, chartering will be limited to one vessel. After a 4-year transition period, such chartering will be unlimited. Authorization will not be required for the chartering of foreign vessels when replacing other vessels undergoing restoration. For time charter of foreign vessels, the number of movements will be unlimited. For vessels flying the Brazilian flag, the act maintains the requirement that at least two thirds of crew members, including the vessel's captain and chief engineer, must be Brazilian nationals. In the United Kingdom, a temporary relaxation of cabotage rules was introduced as part of its response to an acute shortage of Heavy Goods Vehicle (HGV) drivers. The measure was effective from 28 October 2021 to 30 April 2022. The intervention allowed all operators (not just those from the European Union) to carry out an unlimited number of freight movements in a 14-day period following an international laden journey to the United Kingdom.

4.8. In the area of health-related services, Türkiye issued a regulation that sets forth the procedures and principles regarding remote health services regardless of location as well as the supervision of health facilities. The regulation indicates that a health service activity permit is required to provide remote healthcare services. In Brazil, the Federal Council of Medicine (CFM) approved a new regulation establishing rules for the practice of telemedicine, which is only allowed for service providers established or located in the national territory.

### ***Measures affecting supply through the movement of natural persons***

4.9. Since 30 December 2021, the Kingdom of Saudi Arabia requires that companies hire nationals on a quota basis in driving schools, technical engineering service companies and customs clearance professions.

### **COVID-19 related measures affecting trade in services<sup>1</sup>**

4.10. No new COVID-19-related measures for G20 economies were identified during the review period. Many measures introduced in 2020 remained in force with some being expanded, as witnessed in Australia where, since 16 March 2022, persons working in critical sectors (i.e. agriculture and food processing; health, aged and disability care; and childcare – to which were added in the expanded provisions some tourism and related services and transport services), including visa extension provisions. An application can be made for those who arrived in Australia on or after 21 February 2022, when the border opened, and is also applicable to those who do not hold a visa with work rights, but have an offer of employment to work in the Commonwealth-funded aged care sector.<sup>2</sup> Some other G20 economies extended several existing measures, such as France (extension of temporary FDI screening threshold by one year, until the end of 2022) and Italy (measures introduced for the screening of foreign direct investment extended until 31 December 2022, and banks and non-bank intermediaries expected to operate above Pillar 2 Guidance from 1 January 2023). The United Kingdom reintroduced the temporary relaxation of the enforcement of some aspects of the drivers' hours rules from 9 April to 8 May 2022.

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<sup>1</sup> The information in this Section is an informal situation report and an attempt to provide transparency with respect to measures affecting trade in services taken in the context of the COVID-19 crisis. It does not pass judgment on or question the right of WTO Members to take such actions. The Secretariat has not sought to determine or indicate whether such measures have trade-restrictive or trade-facilitating effects. The information is not exhaustive and does not include information on general support measures relating to services. Further, the objective is not to list all COVID-19 related measures taken by governments around the world to limit movement, nor all the measures taken to ease the impact of border restrictions or other limits on movement.

<sup>2</sup> The length of stay will be granted for 12 months for Commonwealth Aged Care sector and key sectors (aged care, agriculture, childcare, disability care, food processing, health care and tourism and hospitality) and 6 months for any other sector. See Migration (LIN 22/046: COVID-19 Pandemic Event for Subclass 408 (Temporary Activity) Visa and Visa Application Charge for Temporary Activity (Class GG) Visa) Instrument 2022. Viewed at: <https://www.legislation.gov.au/Details/F2022L00316>.

4.11. The full list of measures compiled since the beginning of the COVID-19 pandemic is available on the WTO website and is updated regularly.<sup>3</sup>

#### **Developments in the context of the war in Ukraine<sup>4</sup>**

4.12. During the review period, some 36 services trade and trade-related sanctions taken by 9 G20 economies imposed on the Russian Federation were identified by the Secretariat. Approximately one quarter of these concern transport services (air, road or maritime) and include, for instance, various aviation prohibitions as well as restrictions on docking in ports. One third of the services trade and trade-related sanctions include restrictions on providing certain services, including professional and financial services. Other sanctions related to trade in services include investment screening measures, as well as outward investment and visa restrictions. In response, the Russian Federation adopted several countermeasures affecting trade in services. The Secretariat will continue to monitor developments on measures affecting trade in services taken in response to the crisis.

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<sup>3</sup> WTO, *COVID-19: Measures Affecting Trade in Services*. Viewed at: [https://www.wto.org/english/tratop\\_e/covid19\\_e/trade\\_related\\_services\\_measure\\_e.htm](https://www.wto.org/english/tratop_e/covid19_e/trade_related_services_measure_e.htm).

<sup>4</sup> The information in this Section was compiled by the WTO Secretariat and is an informal situation report and an attempt to provide a summary with respect to measures affecting trade in services taken in the context of the war. It does not pass judgment on or question the right of WTO Members to take such actions. The Secretariat has not sought to determine or indicate whether the measures have trade-restrictive or trade-facilitating effects. The information is not exhaustive and does not include information on general support measures relating to services. The compilation excludes measures only aimed at designated persons and entities.

## 5 POLICY DEVELOPMENTS IN TRADE AND INTELLECTUAL PROPERTY

5.1. During the review period, G20 economies continued to fine-tune their intellectual property (IP) domestic frameworks, as shown by the communications to the Trade Monitoring Exercise and the notifications to the TRIPS Council. They also implemented specific IP measures to facilitate the development and dissemination of COVID-19-related health technologies, as well as at streamlining procedural requirements for administrative IP matters. Several G20 economies participated actively in the negotiations that resulted in the Ministerial Decision on the Agreement on Trade-related Aspects of Intellectual Property Rights (WT/MIN(22)/W/15/Rev.2, 17 June 2022).

### IP-related international, regional and bilateral agreements

5.2. During the review period, the Marrakesh Treaty to Facilitate Access to Published Works for Persons Who Are Blind, Visually Impaired, or Otherwise Print Disabled entered into force for China, on 5 May 2022.

5.3. The Treaty of Nairobi came into force for the Kingdom of Saudi Arabia, on 8 November 2021. The Declaration by which the Kingdom of Saudi Arabia avails itself of the faculties provided for in Articles II and III of the Appendix to the Berne Convention for the 10-year period that will expire on 10 October 2024 was deposited on 11 January 2022.<sup>1</sup> On the bilateral front, the IP office of the Kingdom of Saudi Arabia (SAPI) designated the China National Intellectual Property Administration (CNIPA) and the United States Patent and Trademarks Office (USPTO) as International Searching Authority (ISA) and International Preliminary Examining Authority (IPEA), as per the Patent Cooperation Treaty (PCT).<sup>2</sup>

### Developments in domestic legislation and administration of IPRs

5.4. Domestically, WTO Members and Observers are working to streamline IP into their economies. The relationship between IP and trade continued to develop and diversify, as Members continued to modernize and fine-tune their IP legislation and administration (Table 5.1).

**Table 5.1 Domestic legislation and administrative developments**

G20 Economy	Measure
Australia	The Industrial Property Act 2019, whereby "industrial property right" includes a patent, a utility model, a layout-design, a breeder's right, an industrial design, a mark, a trade name, and a geographical indication, entered into force on 22 January 2022
Saudi Arabia, Kingdom of	The Regulation of Voluntary Copyright Registration was amended to include artistic works and applied arts; photographic works; schematic works and topographic sculptural works. It entered into force on 24 November 2021
Türkiye	The Copyright Law was amended to reflect the European Union Information Society Directive 2001/29/EC to cover all works, performances, phonograms, productions and broadcasts. It entered into force on 25 December 2021

Note: The table contains communications by G20 economies to the WTO Trade Monitoring Section.

Source: WTO Secretariat.

### COVID-19-related measures

5.5. Since the beginning of the pandemic, a number of G20 economies have implemented specific IP measures to promote innovation or facilitate access to COVID-19-related technologies to measures that streamline procedural requirements to facilitate IP rights management. The Secretariat maintains an indicative list of measures online.<sup>3</sup>

<sup>1</sup> Communication by the Kingdom of Saudi Arabia to the Trade Monitoring Report; and [https://wipolex.wipo.int/en/treaties/ShowResults?search\\_what=C&treaty\\_id=22](https://wipolex.wipo.int/en/treaties/ShowResults?search_what=C&treaty_id=22).

<sup>2</sup> Communication by the Kingdom of Saudi Arabia to the Trade Monitoring Report.

<sup>3</sup> WTO, *COVID-19: Measures Regarding Trade-related Intellectual Property Rights*. Viewed at: [https://www.wto.org/english/tratop\\_e/covid19\\_e/trade\\_related\\_ip\\_measure\\_e.htm](https://www.wto.org/english/tratop_e/covid19_e/trade_related_ip_measure_e.htm).

## TRIPS Council

5.6. During the review period, the TRIPS Council continued the discussions on the proposal by India and South Africa to waive parts of the TRIPS Agreement during the pandemic<sup>4</sup>, as well as the European Union's Communication on "Urgent Trade Policy Responses to the COVID-19 Crisis – Intellectual Property" and the proposed "Draft General Council Declaration on the TRIPS Agreement and Public Health and the Circumstances of the Pandemic".<sup>5</sup> Several G20 economies shared information and best practices to bring more female creators and inventors, as well as other under-represented groups, into the IP ecosystem<sup>6</sup>, and also shared on domestic policies to boost innovation and microfinance.<sup>7</sup> At MC12, Ministerial Decision was adopted the waiver of certain requirements concerning compulsory licensing for COVID-19 vaccines. The text can be found in WTO document WT/MIN(22)/30, WT/L/1141, 22 June 2022.

5.7. During the review period, seven G20 economies submitted notifications to the TRIPS Council, under Article 63.2 of the TRIPS Agreement<sup>8</sup>, and Brazil notified its contact points for IP enforcement under Article 69.

## TRIPS-related discussions in G20 Trade Policy Reviews

5.8. During the Trade Policy Reviews of China and the Russian Federation, Members actively engaged and discussed a wide range of specific IP issues with a bearing on trade policy in these two G20 economies.

## Developments in the context of the war in Ukraine

5.9. Since February 2022, several G20 economies have implemented financial measures that might indirectly affect the maintenance and licensing of intellectual property rights (IPRs).<sup>9</sup> When financial sanctions are applied to designated nationals (e.g. legal or natural persons), all economic assets, including IPRs, are frozen or affected.<sup>10</sup> Some Members have adjusted their measures to exclude transactions related to IPRs.<sup>11</sup> Additionally, various national and regional IP offices have taken measures, which are mostly relevant for the maintenance of IPRs held by Ukrainian nationals, or those affected by the conflict.<sup>12</sup>

5.10. The Russian Federation enacted Decree No. 299<sup>13</sup>, which grants the option to use an invention, utility model or industrial design without the IP right holder's consent at short notice and for proportional compensation of 0.5%. This measure is of horizontal nature and is applicable to Russian and non-Russian nationals from countries committing "unfriendly" actions against Russian legal entities and individuals or patent owners having such countries as a place of registration, a principal place of business activities or a principal place of receiving revenues.<sup>14</sup> Decree No. 322 instructs Russian nationals to make payments for the use of IP to foreign right holders by transferring funds in ruble to a special bank account opened in the name of the foreign IP right holder.<sup>15</sup>

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<sup>4</sup> WTO document IP/C/W/669, 2 October 2020 and addenda.

<sup>5</sup> WTO documents IP/C/W/680, 4 June 2021; and IP/C/W/681, 18 June 2021, respectively.

<sup>6</sup> WTO document IP/C/W/685, 1 October 2021.

<sup>7</sup> WTO document IP/C/W/686, 25 February 2022.

<sup>8</sup> Australia, Brazil, Japan, the Russian Federation, the Kingdom of Saudi Arabia, the United Kingdom and the United States.

<sup>9</sup> See, for example: <https://www.legislation.gov.au/Details/F2021C00330>.

<sup>10</sup> Viewed at: <https://www.mondaq.com/unitedstates/export-controls-trade-investment-sanctions/308040/implications-of-us-sanctions-program-on-intellectual-property-owners> and [https://ec.europa.eu/info/sites/default/files/business\\_economy\\_euro/banking\\_and\\_finance/documents/faqs-sanctions-russia-ipr\\_en.pdf](https://ec.europa.eu/info/sites/default/files/business_economy_euro/banking_and_finance/documents/faqs-sanctions-russia-ipr_en.pdf).

<sup>11</sup> Viewed at: [https://home.treasury.gov/system/files/126/russia\\_q131.pdf](https://home.treasury.gov/system/files/126/russia_q131.pdf).

<sup>12</sup> As seen, for example, in: <https://euipo.europa.eu/ohimportal/en/news/-/action/view/9237969> and <https://www.worldtrademarkreview.com/article/live-updates-ip-offices-respond-and-implement-measures-in-wake-of-invasion-of-ukraine>.

<sup>13</sup> Viewed at: <http://publication.pravo.gov.ru/Document/View/0001202203070005>.

<sup>14</sup> See official list at: <http://publication.pravo.gov.ru/Document/View/0001202203070001>.

<sup>15</sup> Viewed at: <https://www.managingip.com/article/b1y9vbn25rmp23/this-week-in-ip-russia-restricts-ip-payments-to-unfriendly-states-ukipo-chief-to-leave>.