COVID-19 and world trade

The above link provides information on COVID-19 and world trade, including COVID-19 measures taken by WTO Members and Observers in the area of goods, services and intellectual property. It also includes support measures in response to the COVID-19 pandemic communicated by WTO Members and Observers to the Secretariat. This information has been compiled by the WTO Secretariat and is an informal situation report and an attempt to provide transparency with respect to measures taken in the context of the pandemic. These lists of measures are not exhaustive and are updated regularly by the WTO Secretariat.

EXECUTIVE SUMMARY

This WTO Trade Monitoring Report on trade-related developments arrives at a time when the world economy faces multiple challenges in the shape of the continuing COVID-19 pandemic and the war in Ukraine. The latter has created a humanitarian crisis of immense proportions and has negatively impacted the world economy, including rising trade costs, mounting inflation and with respect to food security issues.

The Report also makes brief reference to the 12th Ministerial Conference (MC12) successfully concluded by WTO Members on 17 June 2022 in Geneva. MC12 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. Building on the success of MC12, WTO Members now have an important collective opportunity to lay the foundation for further progress in the months ahead.

The Trade Monitoring database (TMDB) provides information on trade measures implemented by WTO Members and Observers since October 2008.
Since the outbreak of the COVID-19 pandemic, 436 trade and trade-related measures in the area of goods have been implemented by WTO Members and Observers. Of these, 288 (66%) were of a trade-facilitating nature and 148 (34%) were trade-restrictive. Export restrictions account for 82% of all COVID-19 trade-restrictive measures. According to the information either identified by the Secretariat or received from delegations and subsequently verified, around 73% (89 out of 122) of export restrictions have been phased out, meaning that as at mid-May 2022, 33 export restrictions were still in place. The estimated trade coverage of the COVID-19 trade-facilitating measures still in place (USD 149.7 billion) is larger than that of trade restrictions (USD 99.8 billion). During the review period, 37 COVID-19 measures on goods were communicated by WTO Members, 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 WTO Members to mitigate the social and economic impacts of the pandemic has significantly decreased since in the second half of 2021.

### COVID-19 trade and trade related measures on goods, by mid-May 2022

<table>
<thead>
<tr>
<th>Number</th>
<th>Trade-facilitating measures in force</th>
<th>Trade-facilitating measures phased out</th>
<th>Trade-restrictive measures in force</th>
<th>Trade-restrictive measures phased out</th>
</tr>
</thead>
<tbody>
<tr>
<td>225</td>
<td></td>
<td></td>
<td>63</td>
<td>48</td>
</tr>
</tbody>
</table>

Source: WTO Secretariat

### Trade coverage of COVID-19 trade and trade related measures on goods, by mid-May 2022

<table>
<thead>
<tr>
<th>USD billion</th>
<th>Trade-facilitating measures in force</th>
<th>Trade-facilitating measures phased out</th>
<th>Trade-restrictive measures in force</th>
<th>Trade-restrictive measures phased out</th>
</tr>
</thead>
<tbody>
<tr>
<td>150</td>
<td></td>
<td></td>
<td>211</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: WTO Secretariat

Note: Values are rounded

In the services sectors, the Secretariat has recorded 155 COVID-19-related measures introduced by Members and Observers, since the outbreak of the pandemic. Only two new such measures were reported since mid-October 2021 and five were reported as terminated. This confirms that the number of new COVID-19 trade in services measures has declined drastically since last year.

The war in Ukraine impacted trade flows significantly during the review period. The Secretariat identified some 71 specific trade and trade-related sanctions imposed by 43 WTO Members and one Observer on the Russian Federation in the area of trade in goods. Seventy-five services trade and trade-related sanctions imposed on the Russian Federation by 39 WTO Members were also identified. In the area of intellectual property, several WTO Members implemented measures and sanctions that might indirectly affect the maintenance and licensing of intellectual property rights (IPRs).
With respect to regular trade measures, 230 new trade facilitating and 109 trade restrictive measures were recorded for WTO Members and Observers. These include 32 export restrictions and 18 import facilitating measures put in place by WTO Members in response to the conflict. The trade coverage of the import-facilitating measures introduced during the review period was estimated at USD 603.2 billion and that of import-restrictive measures stood at USD 23.5 billion. According to the Secretariat’s preliminary estimates, and based on the available information, the trade coverage of the export restrictive measures taken by WTO Members in response to the conflict was estimated at USD 69.6 billion. That of the import facilitating measures was estimated at USD 38.3 billion.

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

(USD billion)

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

(USD billion)

Source: WTO Secretariat

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.

**Cumulative trade coverage of import-restrictive measures on goods since 2009 to 2021**

(USD billion)

Source: WTO Secretariat

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. COVID-19 trade and trade-related measures are not included. The import values were sourced from the UN Comtrade database.
The stockpile of import restrictions in force has grown steadily since 2009 – both in value terms and as a percentage of world imports. By mid-May 2022, some 8.9% of global imports continue to be affected by import restrictions implemented since 2009 and which are still in force.

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 WTO Members, accounting for 30% of all non-COVID-19 related trade measures on goods recorded in this Report.

The majority of the 93 new regular measures affecting trade in services implemented by WTO Members and Observers, were trade-facilitating. More than half of the measures concerned telecommunications, computer and Internet- and other network enabled services, including a significant number of tax measures, or financial services.

WTO Members continued to use the SPS and TBT Committees’ transparency mechanisms to notify their sanitary and phytosanitary (SPS) and technical barriers to trade (TBT) measures and to discuss and often resolve specific trade concerns (STCs) non-litigiously. Food safety was the most frequent objective identified in the 613 regular SPS notifications submitted by WTO Members and the majority of the 162 emergency measures notified in the same period, related to animal health. WTO Members submitted 125 SPS notifications and communications on 67 SPS measures taken in response to the pandemic. Most of the 1,446 new regular TBT notifications submitted by WTO Members during the review period, indicated the protection of human health or safety as their main objective. WTO Members submitted 213 COVID-19-related TBT notifications to the WTO. These cover a wide range of products, including medicines, medical supplies, and personal protective equipment (PPE).

Several of the trade concerns raised in WTO bodies during the review period, were new and several had already been raised in previous periods, indicating persistent and unresolved issues. Overall, the review period saw WTO Members continue to use WTO committees to engage trading partners on real or potential areas of trade friction.

In the Committee on Agriculture (CoA), Members posed 141 questions regarding individual notifications, overdue notifications, and specific implementation matters (SIMs) under Article 18.6 with most of them focusing on Members domestic support notifications or policies. 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 eight export restrictions notified, one was put in place in response to the COVID-19 pandemic and two were directly or indirectly related to the conflict.

WTO Members 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.

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.