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1 PARAGRAPH G OF THE TRADE POLICY REVIEW MECHANISM

1.1 Text of Paragraph G

G. Overview of Developments in the International Trading Environment

An annual overview of developments in the international trading environment which are having an impact on the multilateral trading system shall also be undertaken by the TPRB. The overview is to be assisted by an annual report by the Director-General setting out major activities of the WTO and highlighting significant policy issues affecting the trading system.

1.2 General

1. Annual reports by the Director-General are submitted to the Trade Policy Review Body (TPRB) in accordance with Paragraph G.¹ The most recent such report explains that:

"This Report covers the period mid-October 2017 to mid-October 2018. It is presented pursuant to Paragraph G of the Trade Policy Review Mechanism mandate and aims to assist the Trade Policy Review Body to undertake its annual overview of developments in the international trading environment that are having an impact on the multilateral trading system. The Report is issued under the sole responsibility of the Director-General. It has no legal effect on the rights and obligations of Members, nor does it have any legal implications with respect to the conformity of any measure noted in the Report with any WTO Agreements or any provisions thereof."²

2. The Trade Policy Review Mechanism (TPRM) requires Members, in between their reviews, to provide information on significant trade policy changes. The WTO Secretariat uses this and other information to prepare, on a regular basis, the annual overview by the Director-General under Paragraph G of the TPRM which provides the WTO Membership with selected developments in the international trading environment. The information is consolidated and presented in the Director-General's annual reports on Developments in the International Trading Environment, as called for by Paragraph G of the TPRM. These reports review trade and trade-related measures implemented by WTO Members.

3. Trade Monitoring was discussed for the first time in the Fourth Appraisal of the TPRM. During this Appraisal, there was broad consensus for the continuation and strengthening of the current monitoring exercise on trade and trade-related measures under Paragraph G of the TPRM and related briefings by the Director-General in international forums such as the G-20.³

4. During the Eighth Ministerial Conference in December 2011, Members adopted a Decision on the TPRM, stating:

"We recognize the regular work undertaken by the TPRB on the monitoring exercise of trade and trade-related measures in fulfilling its mandate. We take note of the work initially done in the context of the global financial and economic crisis, and direct it to be continued and strengthened. We therefore invite the Director-General to continue presenting his trade monitoring reports on a regular basis, and ask the TPRB to consider these monitoring reports in addition to its meeting to undertake the Annual Overview of Developments in the International Trading Environment. We also take note of the WTO's reports on its specific monitoring of G-20 measures. We commit to duly comply with the existing transparency obligations and reporting requirements needed for the

¹ These reports can be found in the document series [WT/TPR/OV/*](#).

² [WT/TPR/OV/21](#), fn 1.

³ [WT/MIN\(11\)/6](#), section VIII.

preparation of these monitoring reports, and to continue to support and cooperate with the WTO Secretariat in a constructive fashion. We call upon the TPRB to continue discussing the strengthening of the monitoring exercise of trade and trade-related measures on the basis of Members' inputs".⁴

5. The Report on the Sixth Appraisal states as follows concerning trade monitoring:

"The TPRB meets at least twice a year to review the Director-General's monitoring reports on recent trade policy developments, including the overall trends in implementing trade-restricting and trade-liberalizing measures. In preparing these reports, the Secretariat has to rely on Members to provide accurate information and verify all the measures recorded for their economies. The response rate, however, is often unsatisfactory. The fourth and fifth Appraisals recognized the usefulness of the trade monitoring exercise, and there was broad consensus among Members to continue with it and strengthen it

In this Appraisal, some Members expressed concerns regarding the general lack of engagement in the trade monitoring exercise. Members discussed the possibility of highlighting certain measures in the trade monitoring report, and ways to make the meetings more interactive and fruitful. They were also informed of the process of gathering input for the reports, and the necessary steps involved. In this connection, there was a suggestion to combine two current steps in the collection and verification of information."⁵

6. The most recent report by the Director-General, which covered the period from mid-October 2017 to mid-October 2018, noted that:

" The proliferation of trade restrictive actions and the uncertainty created by such actions could place economic recovery in jeopardy. Further escalation would carry potentially large risks for global trade, with knock-on effects for economic growth, jobs and consumer prices around the world. WTO Members must use all means at their disposal to de-escalate the situation. The WTO will do all it can to support its membership to this end and collective leadership from WTO Members will be essential."⁶

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⁴ [WT/L/848](#).

⁵ [WT/MIN\(17\)/9](#), paras. 2.33-2.34.

⁶ [WT/TPR/OV/21](#), pp. 4 and 8.