



24 June 2019

**REPORTS ON G20
TRADE AND INVESTMENT MEASURES¹
(MID-OCTOBER 2018 TO MID-MAY 2019)**

¹ These reports are issued under the responsibility of the Director-General of the WTO, the Secretary-General of the OECD, and the Secretary-General of UNCTAD. They have no legal effect on the rights and obligations of Members of the WTO, OECD, or UNCTAD. The inclusion of any measure in these reports or in their Annexes implies no judgement by the WTO, OECD, or UNCTAD Secretariats on whether or not such measure, or its intent, is protectionist in nature. Moreover, nothing in the reports implies any judgement, either direct or indirect, as to the consistency of any measure with the provisions of any WTO, OECD, or UNCTAD agreements or any provisions thereof.

Joint Summary on G20 Trade and Investment Measures

We are pleased to submit our reports on G20 trade and investment measures. These reports, delivered today under the mandate provided by G20 Leaders to the WTO, OECD and UNCTAD, cover trade and investment measures implemented by G20 members during the period from mid-October 2018 to mid-May 2019.

The 21st WTO Report on G20 trade measures comes at a time when trade tensions continue to dominate the headlines, adding to the uncertainty surrounding international trade and the world economy.

The Report shows that there is continuing turbulence surrounding international trade and the world economy. The trade coverage of new import-restrictive measures introduced by G20 economies during this period was more than three-and-a-half times the average since May 2012 when the Report started including trade coverage figures. The two most recent review periods represent a dramatic spike in the trade coverage of import-restrictive measures.

G20 economies must follow through on their commitment to trade and to the rules-based international trading system and work together urgently to ease trade tensions and to improve and strengthen the WTO.

G20 members have taken relatively few investment policy measures during the 7-month reporting period from mid-October 2018 to mid-May 2019, marking a further decline in policymaking activity compared to earlier reporting periods.

G20 members' attention to investment policies designed to safeguard essential security interests continued to grow, following a trend that began in early 2018 and extends beyond the G20 membership. Most changes in this policy area are driven by a heightened awareness and concerns over threats associated with sensitive personal data or the acquisition of advanced technology with dual-use applications.

The uncertainty generated by current trade tensions is likely to discourage capital spending. However, the impact of those developments on international investment is likely to be diverse and specifics are difficult to predict: trade barriers could lead to reallocation of investment to locations not directly affected by those measures, or a further decline in global foreign investment if trade and related frictions lead to a global economic slowdown.

The potential impact of new policies and their implementation on cross-border investment flows calls for a close monitoring of these policy developments and continuous multilateral dialogue, as is already taking place at the OECD and UNCTAD.

Angel Gurría
Secretary-General
OECD

Roberto Azevêdo
Director-General
WTO

Mukhisa Kituyi
Secretary-General
UNCTAD

***Attachments:** Trade Report; Investment Report; Summary of trade and trade-related measures taken since October 2008 (made available separately); Consolidated inventory of investment measures introduced since April 2009 (also made available separately).*



REPORT ON G20 TRADE MEASURES

(MID-OCTOBER 2018 TO MID-MAY 2019)

TABLE OF CONTENTS

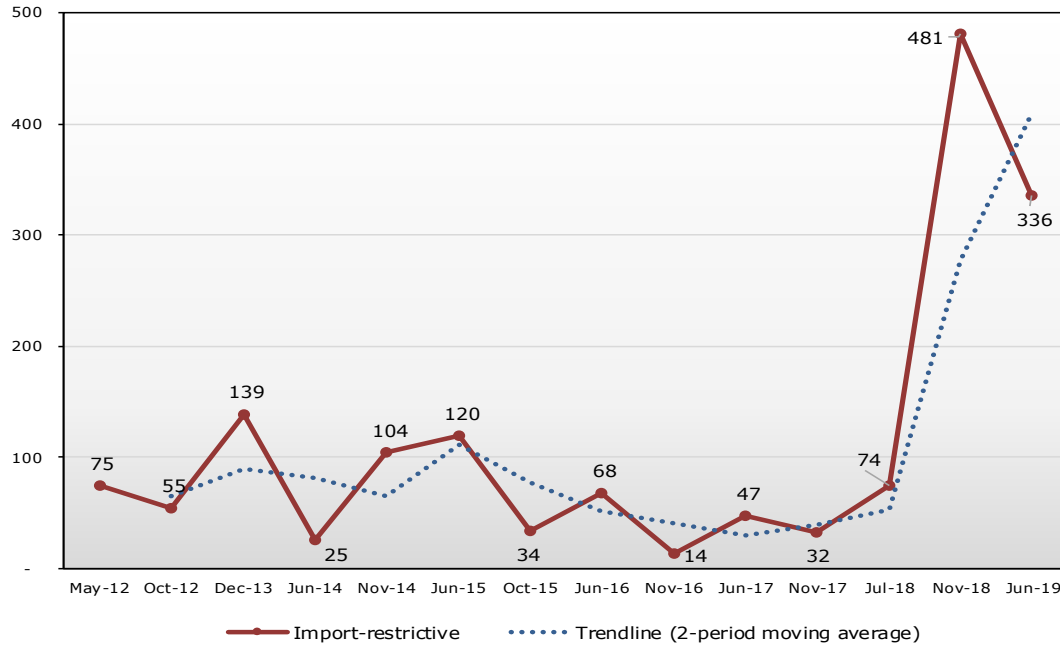
KEY FINDINGS.....	2
EXECUTIVE SUMMARY	7
1 INTRODUCTION	10
2 RECENT ECONOMIC AND TRADE DEVELOPMENTS	11
2.1 Overview	11
2.2 Economic developments	12
2.3 Merchandise trade	13
2.4 Trade in commercial services	18
2.5 Trade forecast and economic outlook.....	18
3 TRADE AND TRADE-RELATED POLICY DEVELOPMENTS	23
3.1 Overview of Trends Identified During the Period under Review	23
3.1.1 Measures facilitating trade.....	24
3.1.2 Trade remedy actions.....	25
3.1.3 Other trade and trade-related measures	27
3.2 Trade Remedies	32
3.3 Sanitary and Phytosanitary Measures (SPS).....	43
3.4 Technical Barriers to Trade (TBT)	48
3.5 Trade Concerns Raised in Other WTO Bodies	53
3.6 Policy Developments in Agriculture	58
3.7 General Economic Support	64
3.8 Other Selected Trade Policy Issues	65
4 POLICY DEVELOPMENTS IN TRADE IN SERVICES	71
5 POLICY DEVELOPMENTS IN TRADE AND INTELLECTUAL PROPERTY.....	75
ANNEX 1 - MEASURES FACILITATING TRADE	77
ANNEX 2 - TRADE REMEDIES	84
ANNEX 3 - OTHER TRADE-RELATED MEASURES	94
ANNEX 4 - MEASURES AFFECTING TRADE IN SERVICES	99

KEY FINDINGS

- This Report covers new trade and trade-related measures implemented by G20 economies between 16 October 2018 and 15 May 2019. During this period trade tensions continued to dominate the headlines and added to the uncertainty surrounding international trade and the world economy.
- The Report provides evidence that this turbulence is continuing. The previous period saw a record level of new restrictive measures introduced. Most of these measures remain in place and have now been added to by a series of new measures in the current period which are also of a historically high level.
- The trade coverage of new import-restrictive measures introduced by G20 economies during this period was more than three-and-a-half times the average since May 2012 when the Report started including trade coverage figures.
- The trade coverage of import-restrictive measures during the period is estimated at USD 335.9 billion. This is the second highest figure on record, after the USD 480.9 billion reported in the previous period. Together these two periods represent a dramatic spike in the trade coverage of import-restrictive measures. The stable trend identified up to July 2018 has been replaced with a steep increase in the trade coverage of import-restrictive measures.
- The Report also notes that several significant trade-restrictive measures which fall outside of the review period remain under consultation for potential later implementation. This further compounds the challenges faced by governments, businesses and consumers in the current global economic environment.
- In terms of the number of measures introduced, G20 economies implemented 20 new trade-restrictive measures during the period, including tariff increases, import bans and new customs procedures for exports. While fewer measures were introduced during this review period than in previous periods, the scale of those measures is much increased in terms of their trade coverage and the level of tariffs imposed.
- G20 economies also implemented 29 new measures aimed at facilitating trade, including eliminating or reducing import tariffs, export duties and eliminating or simplifying customs procedures for exports. The trade coverage of the import-facilitating measures implemented during the review period is estimated at USD 397.2 billion, which is 1.8 times higher than in the previous G20 Report.
- The monthly average of 12 initiations of trade remedy actions during the review period is the lowest registered since 2012. The trade coverage of trade remedy initiations (USD 18.4 billion) has fallen compared to the previous period. The trade coverage of trade remedy terminations recorded in the review period (USD 14.6 billion) is two and half times higher than that reported in the previous G20 Report.
- This Report highlights the continuing challenges in global trade. G20 economies must follow through on their commitment to trade and to the rules-based international trading system and work together urgently to ease trade tensions and to improve and strengthen the WTO.

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

(USD billion)

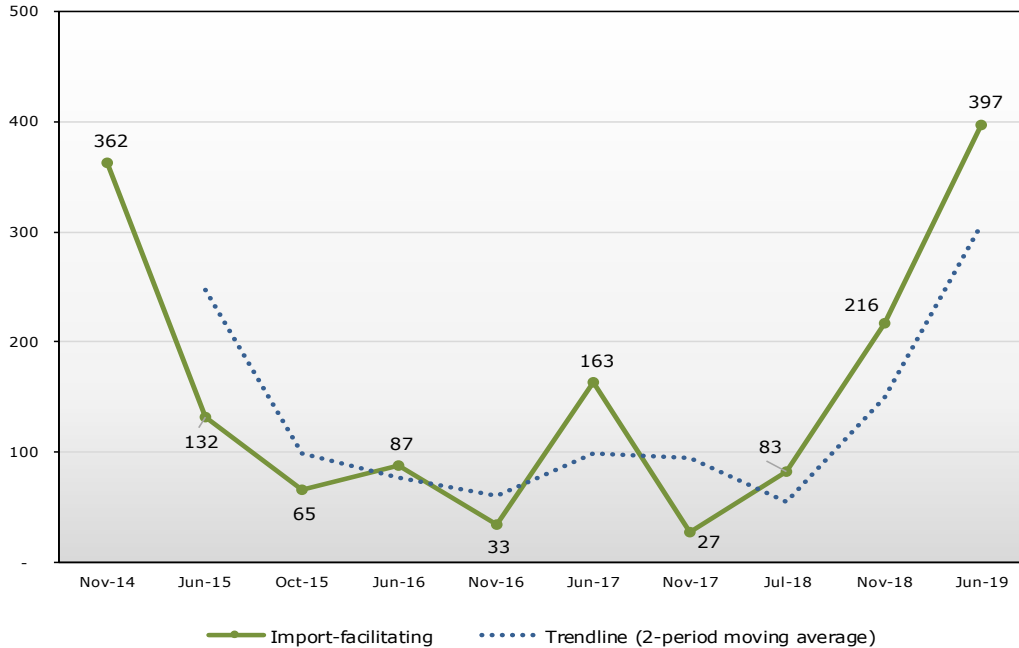


Note: These figures are estimates and represent the trade coverage of the measures (i.e. annual imports of the products concerned from economies affected by the measures) introduced during each reporting period and not the cumulative impact of the trade measures.

Source: WTO Secretariat.

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

(USD billion)

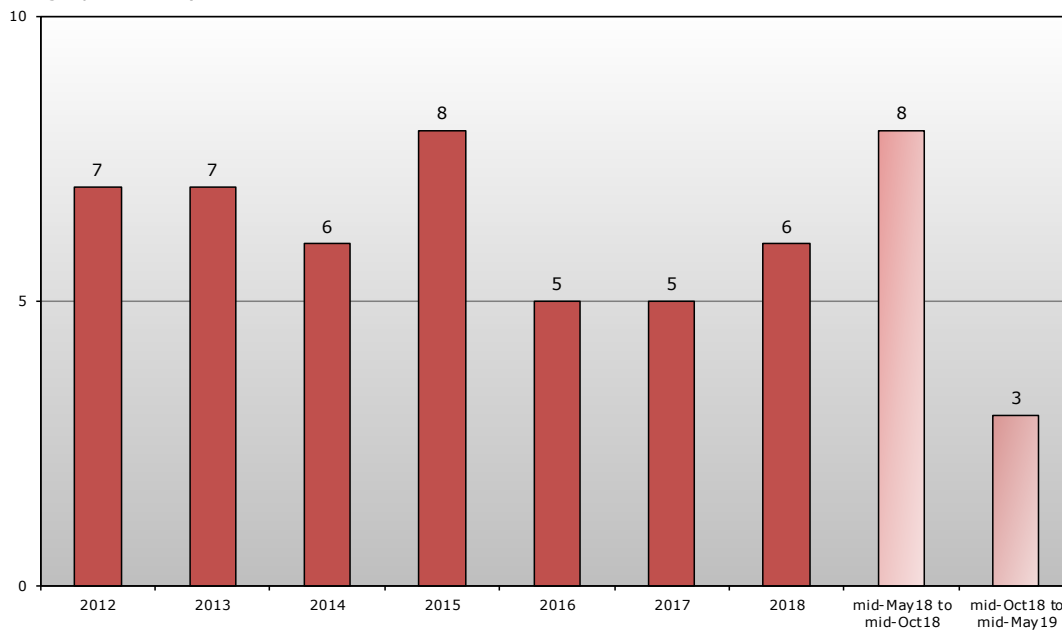


Note: These figures are estimates and represent the trade coverage of the measures (i.e. annual imports of the products concerned from economies affected by the measures) and not the impact of the trade measures. Liberalization associated with the 2015 Expansion of the WTO's Information Technology Agreement is not included in the figures.

Source: WTO Secretariat.

G20 Trade-restrictive measures

(Average per month)

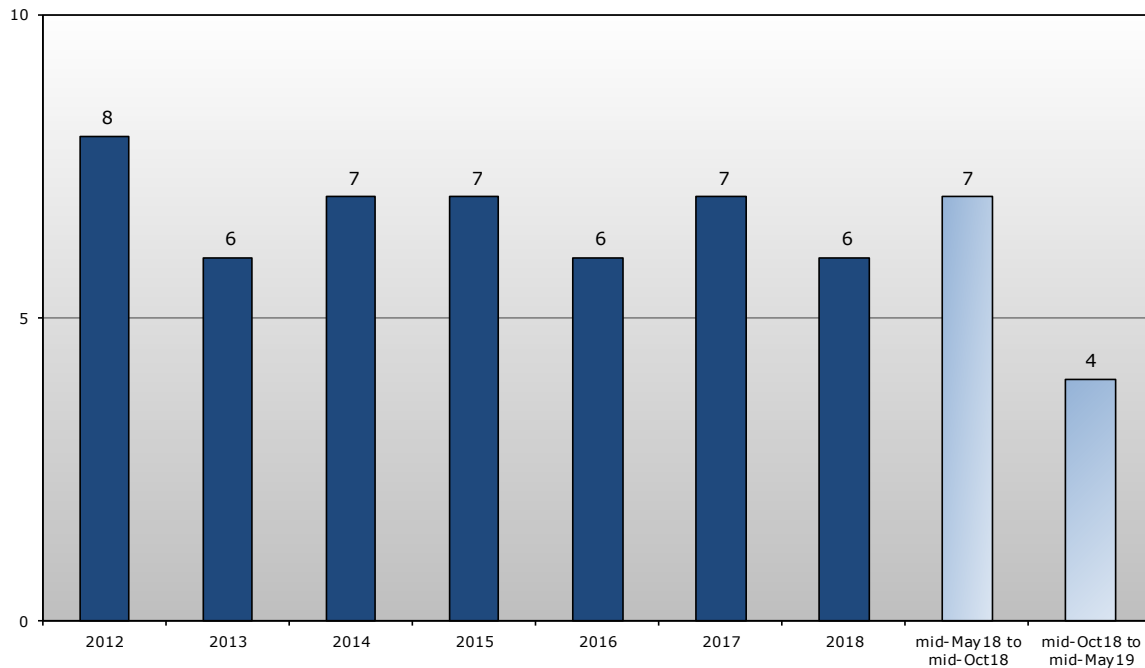


Note: Values are rounded. Changes to averages of previous years reflect continuing fine-tuning and updates of the TMDB.

Source: WTO Secretariat.

G20 Trade-facilitating measures

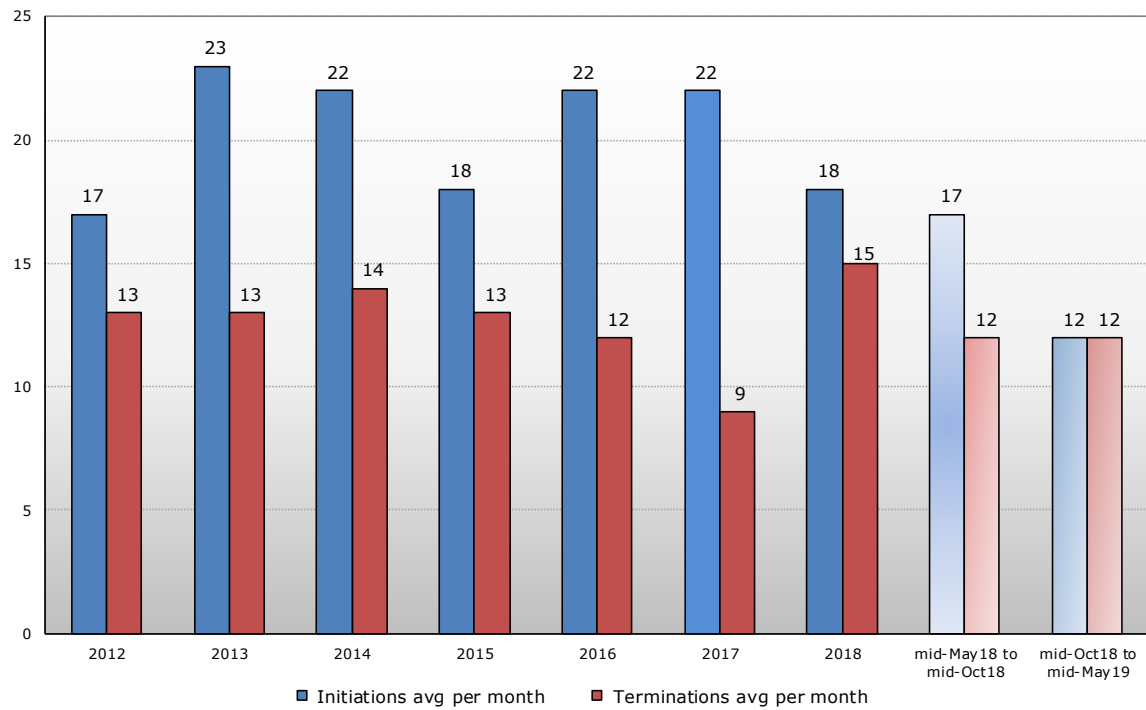
(average per month)



Note: Values are rounded. Changes to averages of previous years reflect continuing fine-tuning and updates of the TMDB.

Source: WTO Secretariat.

G20 Trade remedy initiations and terminations



Source: WTO Secretariat.

G20 measures, mid-October 2018 to mid-May 2019

(by number)

221

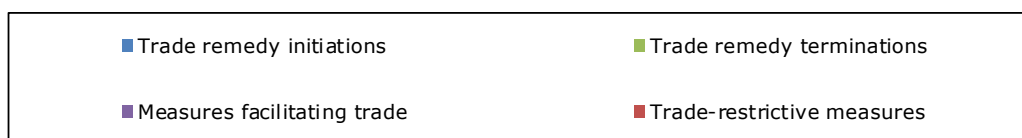


Source: WTO Secretariat.

Trade coverage of G20 measures, mid-October 2018 to mid-May 2019

(USD billion)

USD 766



Source: WTO Secretariat.

Box 1 About the WTO 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, and seek to take into account discussions among G20 economies.

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 Subsidies 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 in a position 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 measures.

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 carefully 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 a number of legitimate policy objectives.

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 the area of international trade. For example, the Reports have consistently emphasized that, although the number of specific and often long-term restrictive trade measures remains 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.

EXECUTIVE SUMMARY

This is the twenty-first WTO Monitoring Report on G20 trade measures.¹ It covers new trade and trade-related measures implemented by G20 economies between 16 October 2018 and 15 May 2019.² These Reports have been prepared, together with the OECD and UNCTAD, in response to the request by G20 Leaders to monitor and report on trade and investment measures implemented by G20 economies. The previous Report was issued on 22 November 2018.

World trade growth slowed in the second half of 2018, particularly toward the end of the year as trade tensions remained high and GDP growth weakened in major economies. Leading trade-related indicators suggested that trade would continue to lose momentum in the first half of 2019. In its most recent trade forecast of 2 April 2019, the WTO Secretariat estimated that merchandise trade volume growth would slow from 3.0% in 2018 to 2.6% in 2019 before rebounding to 3.0% in 2020. Risks to the forecast were considered to be mostly on the downside, with rising trade tensions foremost among them. The uncertainty about trade policy is likely to reduce investment and weigh negatively on world trade and output.

This Report shows that G20 economies applied 20 new trade-restrictive measures during the review period mainly through tariff increases, import bans and new customs procedures for exports. This equates to an average of almost three restrictive measures per month, which is the lowest average since 2012. While fewer measures were introduced during this review period than previous periods, the scale of those measures is much increased in terms of trade coverage and level of tariffs imposed, and therefore the economic turbulence felt has increased as well. The trade coverage for the new import-restrictive measures is estimated at USD 335.9 billion. This is the second highest figure on record, after the USD 480.9 billion reported in the previous period. Together these two periods represent a dramatic spike in the trade coverage of import-restrictive measures.

During the review period covered by this Report, trade tensions continued to dominate the headlines and added to the uncertainty surrounding international trade and the world economy. The Report provides evidence that this turbulence is continuing, with trade flows being hit by new trade restrictions on a historically high level. The trade coverage of new import-restrictive measures introduced by G20 economies during this period was more than three-and-a-half times the average since May 2012 when the Report started including trade coverage figures. The Report also notes that several significant trade-restrictive measures either will be implemented shortly after the period covered by this Report or remain under consultation for potential later implementation, suggesting that the precarious situation in global trade will persist.

G20 economies also implemented 29 new measures aimed at facilitating trade during the review period, including eliminating or reducing import tariffs, export duties and eliminating or simplifying customs procedures for exports. At four new trade-facilitating measures per month, this is the lowest monthly average registered since 2012. The trade coverage of the import-facilitating measures implemented during the review period was estimated at USD 397.2 billion. This is 1.8 times more than that estimated in the previous Report.

For the first time since the beginning of the trade monitoring exercise the number of initiations of trade remedy investigations by G20 economies equals the number of trade remedy actions terminated. The monthly average of 12 trade remedy initiations during the current period is the lowest registered since 2012. Initiations of anti-dumping investigations continue to be the most frequent trade remedy action, accounting for more than three-quarters of all initiations. Compared to the previous period, the monthly average of 12 trade remedy terminations has remained stable. A peak in the initiations of countervailing measures was recorded in 2018. Furthermore, in 2018 and for the first time since 2012, G20 anti-dumping terminations outpaced anti-dumping initiations. The trade coverage of trade remedy initiations recorded in this Report is estimated at USD 18.4 billion, which is down from the trade coverage recorded for such measures in the last G20 Report. The trade coverage of trade remedy terminations recorded in the current period is

¹ The WTO trade monitoring reports have been prepared by the WTO Secretariat since 2009. G20 members are: Argentina; Australia; Brazil; Canada; China; European Union; France; Germany; India; Indonesia; Italy; Japan; Korea, Republic of; Mexico; the Russian Federation; Saudi Arabia, Kingdom of; South Africa; Turkey; the United Kingdom and the United States.

² Unless otherwise indicated in the relevant Section.

estimated at USD 14.6 billion, which is two and half times higher than the figure reported in the last G20 Report.

With respect to general economic support measures, the Secretariat received information by fewer than half of the G20 economies. High-profile international infrastructure programs which specifically have a trade component were not reported as part of the trade monitoring exercise and neither were large-scale subsidies to boost the exports of specific sectors. However, from the limited information received from the G20 economies and from the research undertaken by the Secretariat, the current review period has confirmed that the strategic application of trade policy measures in the shape of for example financial support or economic guarantees remains an important feature of international trade. Discussions at the TPRB in December 2018 reinforced the need for clearer guidance as to how the Secretariat should cover general economic support measures in the Trade Monitoring Reports. As the biggest traders and the biggest users of large-scale general economic support programs, the G20 economies should provide leadership in enhancing transparency in this area.

A range of other subjects are also covered by this Report. In the Sanitary and Phytosanitary (SPS) Committee, G20 economies continued to be very active in notifying their SPS measures, accounting for 66% of all regular notifications since 1995. During the review period the objective most frequently identified in the SPS measures notified by G20 economies was food safety, accounting for 69% of notifications. Measures maintained by G20 economies are often discussed in the SPS Committee and around 73% of all specific trade concerns (STCs) raised to date target G20 measures.

Similarly, G20 economies are the most frequent users of the Technical Barriers to Trade (TBT) Committee's transparency mechanisms, submitting around 42% of all new regular TBT notifications since 1995. During the review period, the main indicated objective of regulations introduced by G20 economies were the protection of human health or safety and the protection of the environment. More than half of the new STCs and all the persistent STCs discussed in the TBT Committee during the review period concerned measures maintained by G20 economies.

The Report provides further evidence of the increase of trade concerns raised in various WTO bodies during the review period. The overwhelming majority of these related to measures and policies implemented by G20 economies. Compared to the last G20 Report, the number of trade concerns raised per meeting has increased on average by more than 60% during the review period. Many trade concerns were raised in successive meetings of the same Committee/Council and also in more than one WTO body, suggesting that these concerns address persistent problems and involve technically complex and cross-cutting issues.

The WTO dispute settlement system continued to receive considerable attention during the review period, primarily related to the impasse over the appointment of new Appellate Body members. The Report shows that although the dispute settlement system remains under pressure, WTO Members continue to resort to it as a means of resolving their trade disputes. During the review period, the level of dispute settlement activity remained high and the number of WTO Members requesting consultations in new disputes increased. G20 economies accounted for approximately half of the total number of complainants and respondents in the disputes initiated during the review period.

In the area of agriculture, policies by G20 economies attracted the majority (69%) of questions raised under the review process of the Committee on Agriculture (AoA). These questions were mainly related to domestic support policies followed by subsidized exports and measures that restrict or have the potential to restrict trade of agricultural products. Nine G20 economies with scheduled export subsidy reduction commitments have taken steps to modify their schedules pursuant to the December 2015 Nairobi Ministerial Decision on Export Competition. Four of them have certified their revised export subsidy schedules, two have submitted draft revised schedules, and three are undergoing domestic processes to modify their export subsidy schedules.

Work on the implementation of the WTO's Trade Facilitation Agreement continues to advance. Many Members concluded their domestic ratification processes, raising the total number of acceptances to about 87% of the entire WTO membership, including all G20 economies.

On trade in services, many new measures were introduced by G20 economies. Most of these were trade-facilitating, although certain new policies appeared to be trade-restricting, including measures affecting communication and network-enabled services and policies pertaining to the review of foreign investment in certain areas considered strategic.

The Report also draws attention to developments in Trade-Related Aspects of Intellectual Property Rights (TRIPS), including the strengthening link between intellectual property (IP) and trade and the development and diversification of national policies to streamline IP into the economy. G20 economies are at the forefront of this trend and several of them continued to modernise and fine-tune their IP legislation and administration.

Following MC11, work continued throughout the first half of 2019 to advance negotiations on fisheries subsidies, building on the decision taken by Members in Buenos Aires. Groups of Members also continued to pursue their discussions on other issues, including electronic commerce, investment facilitation and micro, small and medium enterprises (MSMEs).

1 INTRODUCTION

1.1. This twenty-first WTO Monitoring Report reviews trade and trade-related measures implemented by G20 economies during the period 16 October 2018 to 15 May 2019.¹ The G20 Trade Monitoring Reports have been prepared since 2009 in response to the request by G20 Leaders to the WTO, together with the OECD and 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 16 May to 15 October 2018, was issued on 22 November 2018.

1.2. This Report is issued under the sole responsibility of the Director-General of the WTO. It is a transparency exercise and is intended to be purely factual. It has no legal effect on the rights and obligations of WTO Members. It is without prejudice to the negotiating positions of Members 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. It 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.

1.3. The Report aims to shed light on the very latest trends in the implementation of a broad range of policy measures that restrict as well as facilitate the flow of trade. It provides an update on the main indicators of the world economy and on the state of global trade. The Reports have continued to evolve in terms of coverage and analysis of trade-related issues, taking into account discussions among and input from G20 economies.

1.4. Section 2 of the Report provides an overview of recent economic and trade developments in the G20 economies. Section 3 presents an overview of selected trade and trade-related policy trends. Overviews of policy developments in trade in services and trade-related aspects of intellectual property rights are included in Sections 4 and 5, respectively.

1.5. The four annexes to this Report comprise new measures recorded for G20 economies during the review period. Measures implemented outside this period are not included in these annexes. A summary table, listing all 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, is made available separately and can be downloaded from the WTO's website.² This information is also publicly available through the Trade Monitoring Data Base (TMDB).³

1.6. Information on measures included in this Report 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 all G20 delegations. These data, as well as information collected from other public and official sources, were returned for verification. Where it has not been possible to confirm the information, this is noted in the Annexes.

1.7. The Organisation for Economic Cooperation and Development (OECD) contributed two topical boxes to this Report. The first focuses on non-tariff measures and trade. The second deals with fisheries subsidies. The International Monetary Fund (IMF) contributed a box on the drivers of bilateral trade balances and spill-overs from tariffs.

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

² Viewed at: https://www.wto.org/english/tratop_e/tpr_e/trade_monitoring_e.htm.

³ Viewed at: <http://tmdb.wto.org>.

2 RECENT ECONOMIC AND TRADE DEVELOPMENTS

2.1 Overview

2.1. World trade growth continued to face strong headwinds during the review period, as trade tensions and economic uncertainty remained high. Year-on-year growth in the volume of world merchandise trade fell from 3.9% in the first half of 2018 to 2.7% in the second half. The slowdown became more pronounced towards the end of the year, as relatively strong quarterly growth in Q3 was followed by a decline in Q4. Recent monthly trade statistics also point to slow trade growth persisting into the first quarter of 2019.

2.2. The loss of momentum in trade in the first half of 2018 can be attributed to a number of factors, including weaker global economic activity, tighter monetary policy, increased financial volatility, and higher tariffs on widely-traded goods in major economies. Increasing trade tensions cannot alone explain the trade slowdown, but they have contributed significantly to it. The uncertainty associated with the current trade tensions has the potential to continue to weigh negatively on any forecasts on global GDP growth and on world trade.

2.3. In 2018, world merchandise trade in value (i.e. USD) terms grew faster than trade in volume terms, due to rising export and import prices. Merchandise exports increased 6.5% year-on-year in the second half of the year after growing 13.7% in the first half. Exports for the whole year were up 10%, to USD 19.48 trillion. Merchandise trade values are strongly influenced by exchange rates and prices of primary commodities, particularly energy products. This was the case in 2018, as fuel prices rose and fell over the course of the year.

2.4. Commercial services exports (also measured in USD) were up less sharply than merchandise trade in the second half of 2018, around 3.5%. For the year as a whole, services exports increased by 7.7% to USD 5.80 trillion. The category of "Other commercial services", including financial and other business services, made the largest contribution to growth for the year, accounting for more than half of the total increase.

2.5. There are no quarterly statistics for gross domestic product (GDP) at the world level, but OECD estimates of G20 economies provide a close approximation. Taken together, these economies saw their output increase at an average annualized rate of 3.2% in the second half of 2018, down from 3.6% in the first half. The slowdown was broad-based, affecting the European Union, the United States, Japan, and China to varying degrees.

2.6. Weaker economic growth prompted central banks and governments to adopt more expansionary fiscal and monetary policies in order to avoid a sharper downturn. Looser policy from the Federal Reserve may have helped the United States achieve a healthy 3.2% rate of GDP growth in Q1 2019, up from 2.2% in the previous quarter. GDP growth in the European Union also picked up, from an annualized rate of 1.2% in Q4 to 1.9% in Q1. While China's GDP continued to moderate in Q1, the country remains on track to achieve growth of around 6% for the whole of 2019.

2.7. The pace of global trade growth is expected to slow further in 2019 before possibly picking up in 2020. According to the Secretariat's trade forecast of 2 April 2019, world merchandise trade volume will increase by 2.6% in 2019, accompanied by GDP growth of 2.6% at market exchange rates. If first quarter results are weak, as expected, trade may need to grow faster in the remainder of the year to reach the forecast value. Trade growth should pick up to 3.0% in 2020, accompanied by steady GDP growth of 2.6%.

2.8. Risks to the forecast are considerable, and are predominantly on the downside. More expansionary monetary policy could stoke inflation and lead to unexpected interest rate hikes. Unresolved Brexit issues could increase uncertainty. Most importantly, escalating trade tensions and associated cycles of retaliation would reduce the outlook for both world trade and output.

2.9. The uncertainty generated by current trade disputes is likely to discourage investment, as producers revise production plans and consumers postpone major purchases. Reduced investment tends to weigh on world trade growth due to the high import content of this category of spending.

Changes in the trade environment could also lead to greater financial volatility, as markets react to new circumstances.

2.2 Economic developments

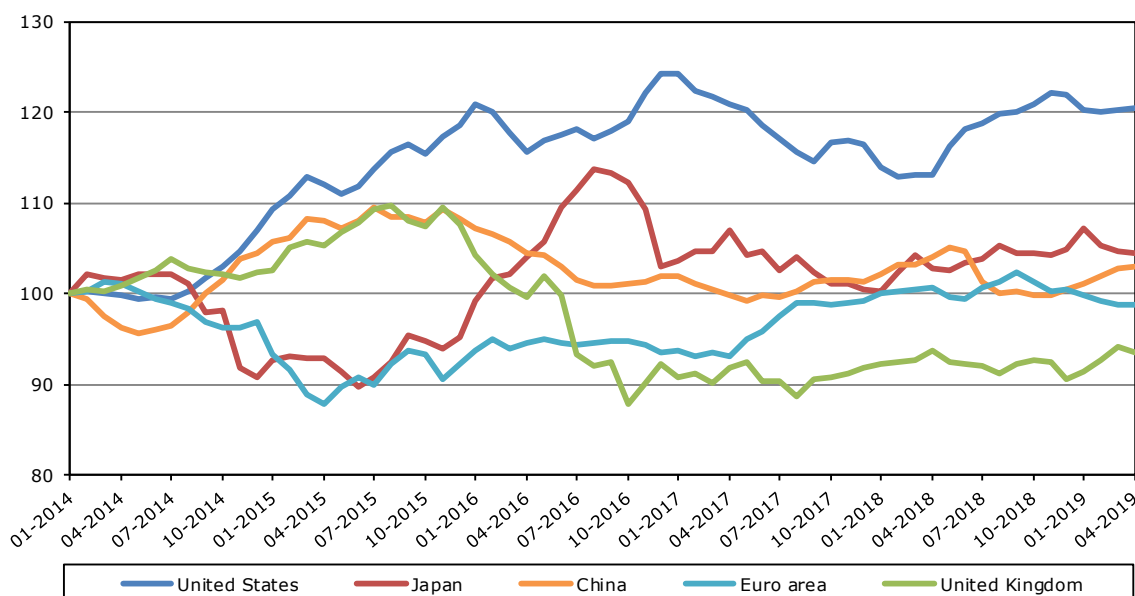
2.10. After several years of lacklustre expansion, the volume of world merchandise trade grew 4.6% in 2017. The strength of the increase suggested that trade might be regaining some of its earlier momentum, but in 2018 trade growth fell back to 3.0%, once again in line with GDP. The recent weakness of trade may be partly explained by slowing economic growth in the European Union, which has a higher share in world trade than in world output due to the counting of intra-EU trade in world totals, and by Asia, which has a high share of intra-regional trade in its exports and imports as a result of regional supply chains.

2.11. Trade and output may have also been influenced by temporary shocks in the review period, including the Federal Government shutdown in the United States and production issues in the automotive sector in Germany. The effects of these shocks are likely to be transitory, causing consumers and businesses to postpone purchases and production decisions rather than cancelling them outright. The impact of a wider trade conflict would likely be more serious and long-lasting, although some third countries might gain from supplying goods that are subject to higher tariffs (see Box 2.2).

2.12. Commodity prices and exchange rates strongly influence nominal trade statistics, which are usually priced in USD. Recent exchange rate developments are illustrated by Chart 2.1, which shows effective exchange rate indices for selected economies through April 2019. The US dollar was up 6.5% year-on-year in April, partly as a result of monetary tightening that has since been put on hold. Other major currencies were quite stable over the last year, with the euro, pound Sterling, Japanese yen, and Chinese yuan each rising or falling less than 2% on average. In contrast, some developing countries suffered sharp depreciations in their currencies in the last year, including Argentina (-49.3%) and Turkey (-24.2%).

Chart 2.1 Nominal effective exchange rate indices for selected economies, January 2014-April 2019^a

(Index, January 2014 = 100)



a Nominal effective exchange rate indices against a broad basket of currencies.

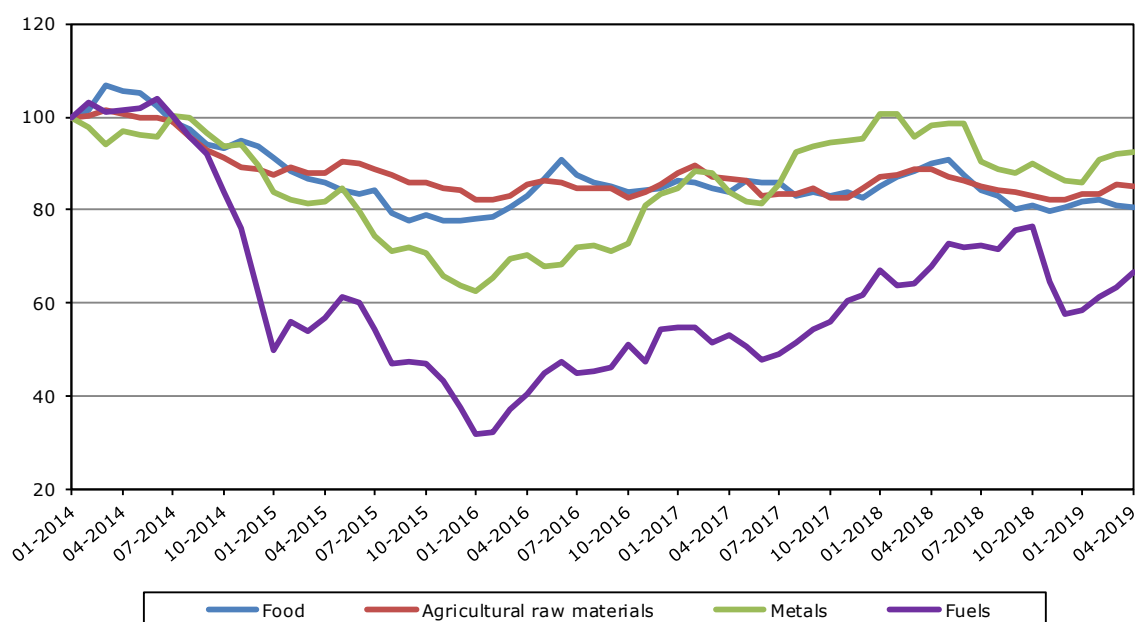
Source: Bank for International Settlements.

2.13. Chart 2.2 shows developments in primary commodity prices through April 2019. Fuel prices showed the most variation, rising and falling in 2018 and 2019 in line with global economic growth. Fuel prices increased by 14.5% between January and October of last year, as growth

appeared to be strengthening. Prices then dropped 25% between October and December, as negative economic news and political shocks damaged expectations of demand for energy products in the future. Prices gradually recovered between December 2018 and April 2019, rising 16%, but they remain 33% below the level of April 2014.

Chart 2.2 Prices of primary commodities, January 2014-April 2019

(Index, January 2014 = 100)



Source: World Bank Commodity Prices.

2.3 Merchandise trade

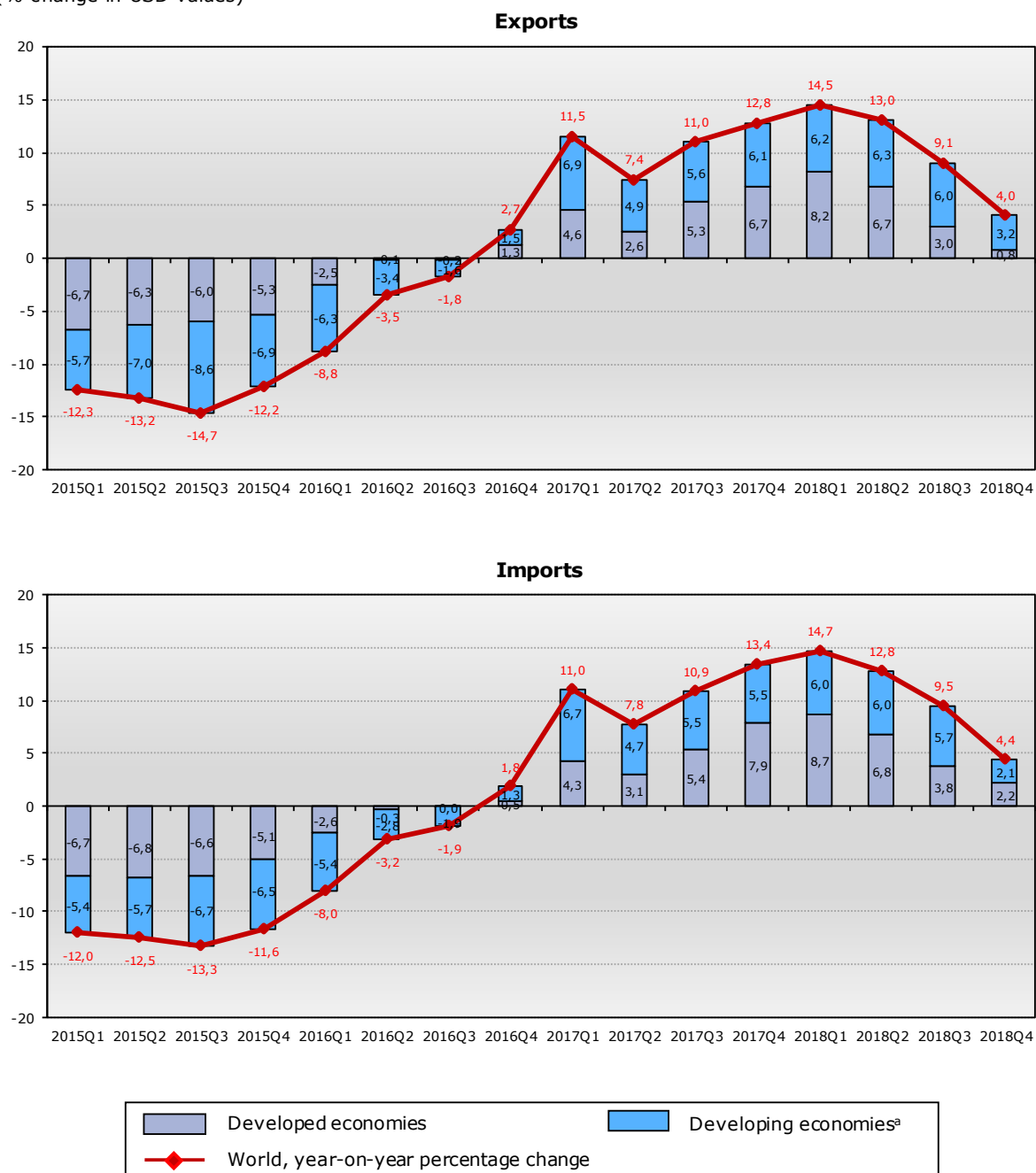
2.14. Chart 2.3 shows growth in the USD value of world merchandise trade (red line), as well as contributions to trade growth from developed and developing economies (stacked bars). Year-on-year growth in world exports has declined from 14.5% in the first quarter of 2018 to 4.0% in the fourth quarter. The slowdown was broad-based, affecting developed and developing economies alike. Developed economies accounted for about 20% of export growth and about 50% of import growth in Q4.

2.15. Chart 2.4 illustrates quarterly merchandise trade volumes by selected exporters and importers. Growth since the last Report has been mixed. Developing Asia and Brazil each recorded sharp declines in import demand in Q4 following strong performances in Q3. In both cases, the volume of imports in Q3 was a record high. Imports of Developing Asia declined by 2.8% quarter-on-quarter in Q4, equivalent to an annual rate of 11.0%. On the export side, shipments from the United States and EU-extra declined slightly (-0.6% and -1.2%, respectively), while shipments from Developing Asia were flat.

2.16. Monthly merchandise trade statistics in current USD terms are more timely than quarterly statistics in volume terms. These are shown in Chart 2.5 for selected economies through March, depending on data availability. Year-on-year trade growth slumped in the first quarter of 2019 in most countries. Exports of the United States were only down slightly in March, -1%, and imports were stable. Meanwhile, Japan's exports were down 7%, while the country's imports dropped 4%. China recorded a 14% rise in its exports in March, while its imports declined by 8%. Data for the European Union in March are not available yet, but figures for Germany show exports falling 7% and imports dropping 4%.

Chart 2.3 Contributions to year-on-year growth in world merchandise exports and imports, 2015Q1-2018Q4

(% change in USD values)



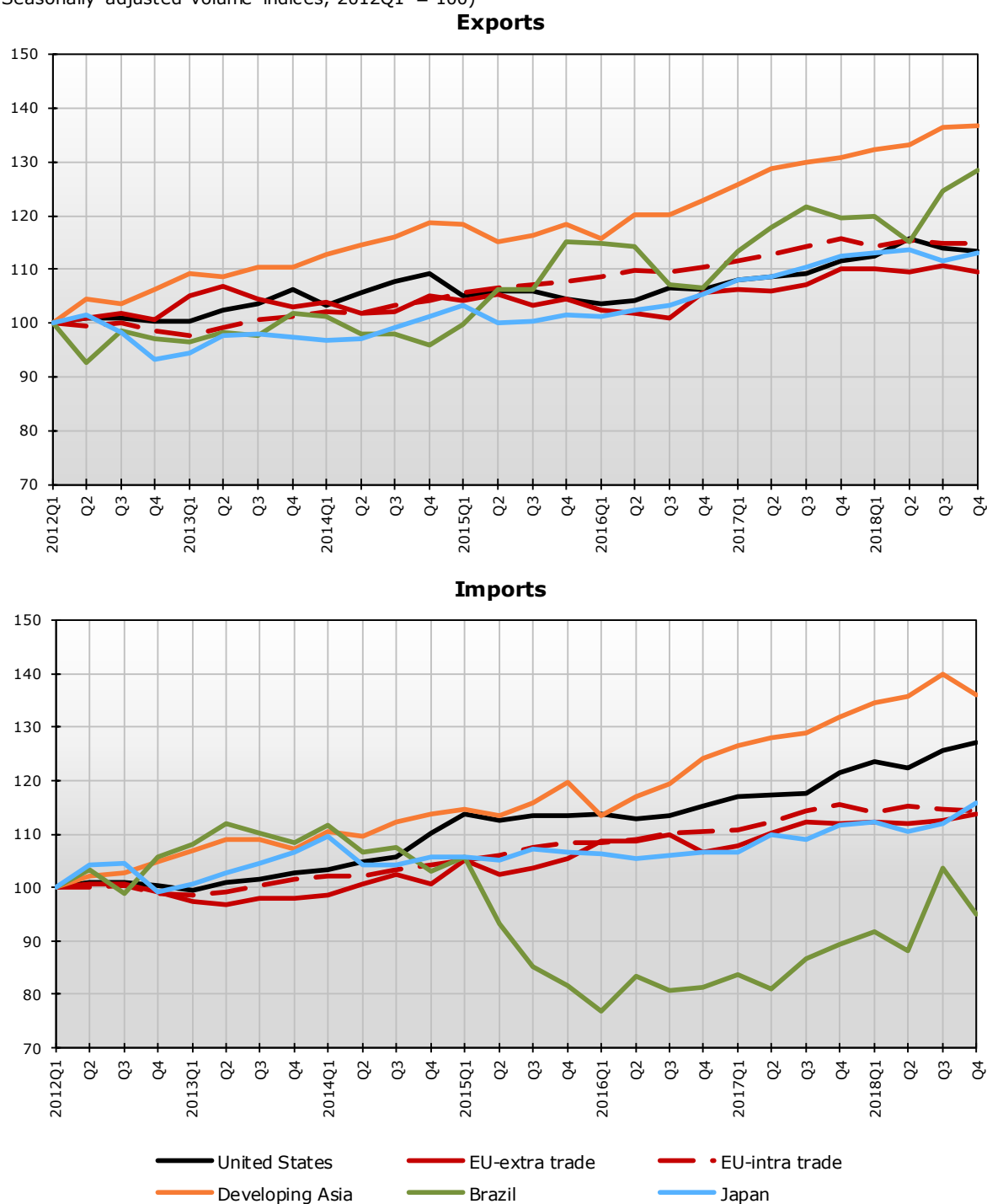
a Includes significant re-exports. Also includes the Commonwealth of Independent States (CIS).

Note: Due to scarce data availability, Africa and the Middle East are under-represented in world totals.

Source: WTO Secretariat estimates, based on data compiled from IMF International Financial Statistics; the Eurostat Comext Database; the Global Trade Atlas database; and national statistics.

Chart 2.4 Volume of exports and imports of selected economies, 2012Q1-2018Q4

(Seasonally-adjusted volume indices, 2012Q1 = 100)

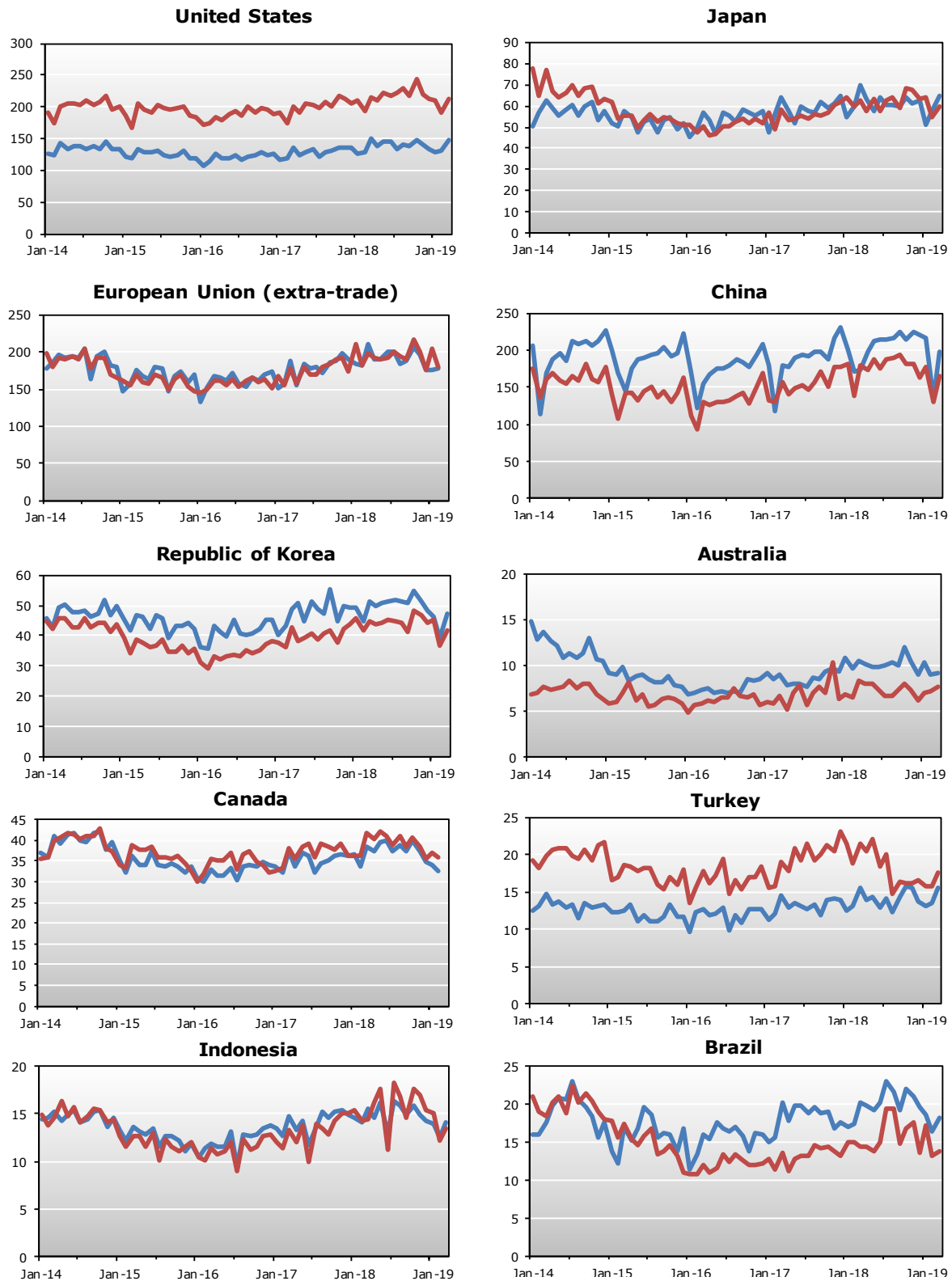


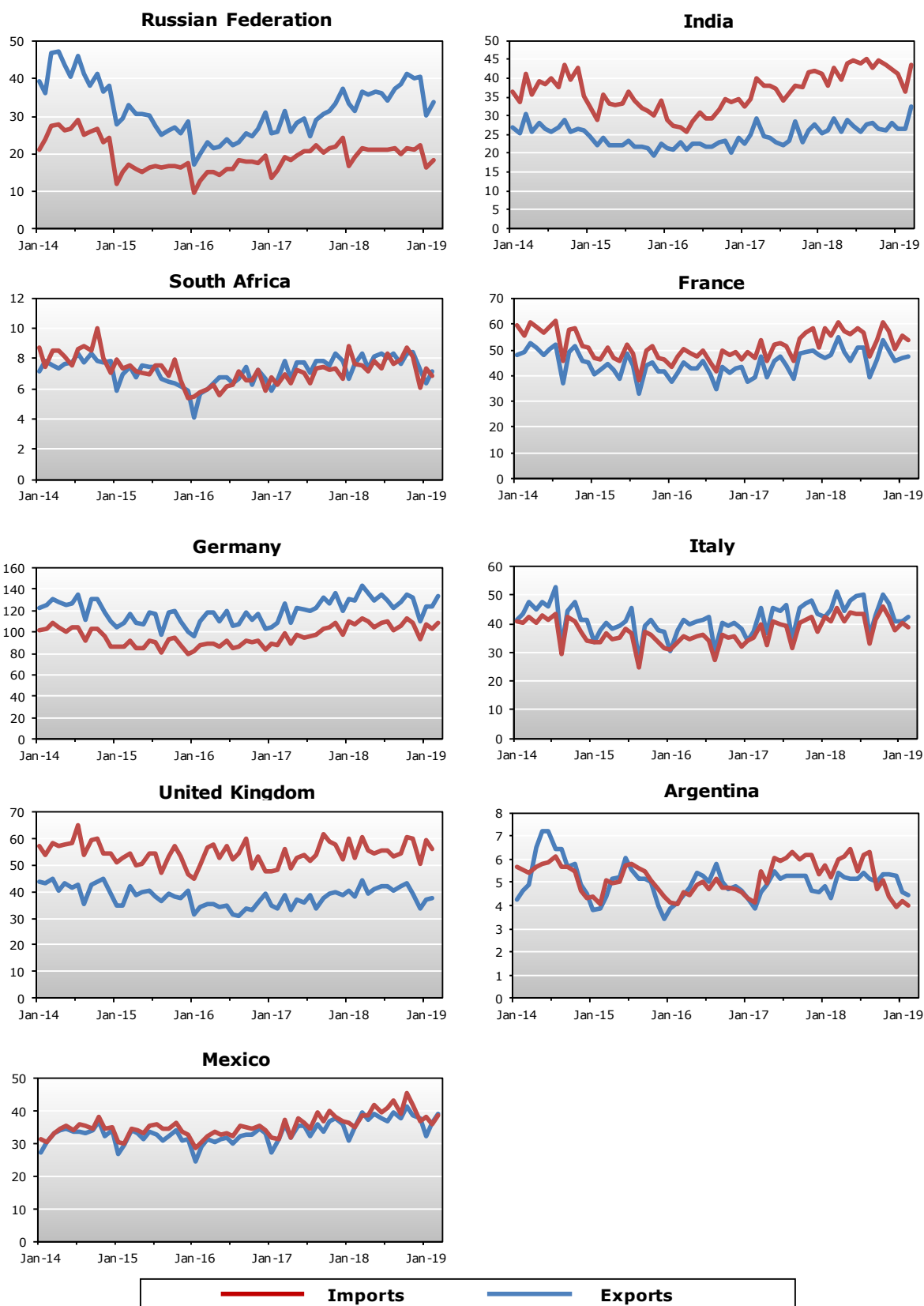
Note: Data for the United States, Japan and the European Union were obtained from national statistical sources, while figures for Brazil and Developing Asia are seasonally-adjusted Secretariat estimates.

Source: WTO Secretariat and UNCTAD.

Chart 2.5 Merchandise exports and imports of selected economies, January 2014-March 2019

(USD billion)





Source: IMF International Financial Statistics, Global Trade Information Services, the Global Trade Atlas database, and national statistics.

2.4 Trade in commercial services

2.17. Commercial services trade has become increasingly unbalanced, with divergent trends appearing across countries in the second half of 2018. This is illustrated by Chart 2.6, which shows services exports and imports of selected economies from 2017Q4 to 2018Q4. In the fourth quarter of 2018, China and India continued to record strong year-on-year growth in export values (+12.9% and +12.5%, respectively), while other selected economies saw exports stagnate (e.g. growth of 0% for EU-extra trade) or decline (e.g. -4.5% for Japan, and -2.4% for Brazil). A similar pattern emerges on the import side, with China and India expanding and others weakening. The fact that currencies such as the USD, the euro and the yen were relatively stable during this period suggests that some of the declines reflect real changes in activity rather than changes in prices.

2.18. The category of other commercial services, which includes financial services and other business services, contributes disproportionately to services trade, due to its large weight in country and world totals. Year-on-year growth in extra-EU exports of other commercial services slowed to 0% in Q4, after recording double-digit growth earlier in the year (15% in Q1 and 10% in Q2). Exports of other commercial services from the United States slowed less dramatically, from 7% in Q1 to 3% in Q4. Japan's exports of other commercial services contracted by 4% in Q4, while China's increased by 19%.

2.5 Trade forecast and economic outlook

2.19. The Secretariat issued its most recent trade forecast on 2 April 2019 (Table 2.1). If current GDP forecasts are realized, the volume of world merchandise trade should grow by 2.6% in 2019, with stronger growth in developing countries (3.4% for exports, 3.6% for imports) than in developed ones (2.1% for exports, 1.9% for imports). Trade growth should pick up slightly in 2020 to 3.0%, with growth in developing countries (3.7% for exports, 3.9% for imports) outpacing developed economies (2.5% for exports, 1.9% for imports).

2.20. In recognition of the high degree of uncertainty associated with trade forecasts under current conditions, the forecast for 2019 is placed within a range of likely values from 1.3% to 4.0%. It should be noted that trade growth could be below this range if trade tensions continue to build, or above it if they start to ease.

2.21. A number of leading economic indicators also provide evidence on the short-term trajectory of the world economy. Purchasing managers indices (PMIs) based on business surveys are one such indicator. The Global Manufacturing PMI compiled by IHS-Market and JPMorgan dipped to 50.3 in April, just above the threshold value of 50 separating expansion from contraction. This suggests that economic growth will remain weak into Q2.

2.22. Among national PMIs, the reading for the United States was relatively strong (52.6), signalling expansion, while values for the euro area (47.9) and Germany (44.4) were weak, indicating contraction. China was an intermediate case, with a PMI of 50.2, suggesting steady if somewhat sluggish growth. Overall, these indicators paint a mixed picture of the global economy, with some regions growing faster than others.

2.23. The New Export Orders component of the Global PMI is a strong leading indicator of trade. This index continued to signal contraction in April (49.0) but at a slower pace than in March (48.9). Air freight statistics from the International Air Transport Association (IATA) are another useful early gauge of world trade. Industry-wide freight-tonne kilometres (FTKs) rebounded in March from their depressed level in February, leaving the index in the latest month almost unchanged compared to the previous year. These results could indicate that trade may be starting to turn a corner, but any firm conclusion would be premature.

2.24. Finally, an index of economic policy uncertainty currently stands at 318.1, the second highest level ever recorded.¹ The index's baseline value of 100 indicates "average" level of uncertainty from 1997 to 2015. This index has tracked recent trade tensions closely. Uncertainty

¹ Viewed at: www.policyuncertainty.com.

discourages investment spending, which tends to be the most trade-intensive type of spending due to its high import content.

Box 2.1 The WTO World Trade Outlook Indicator

The WTO's World Trade Outlook Indicator (WTOI) is a composite leading indicator for world trade that provides "real time" information on the trajectory of merchandise trade relative to recent trends. It combines information on several key trade-related variables, including export orders, air freight shipments, container port throughput, automobile production/sales, shipments of electronic components and shipments of agricultural raw materials. An index reading of 100 denotes growth in line with medium-term trends. Values greater than 100 indicate above-trend growth, while those less than 100 suggest the opposite.

The overall WTOI dipped below its baseline value of 100 in November of 2018 and remained firmly below trend in February and May 2019, signalling weak trade growth toward the end of last year and into the first half of this year. Available trade statistics suggest that actual trade volumes did indeed decline during this period.

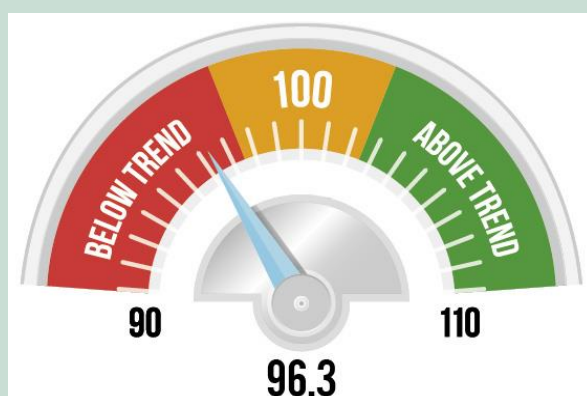
In the latest WTOI release of 20 May 2019, five out of six component indices were below trend, and all but two were declining. Indices for international air freight (92.3), automobile production and sales (92.2), and agricultural raw materials (92.4) fell further below trend. The index for container port throughput (101.0) also declined but remained above 100, suggesting growth in line with recent trends. Export orders (96.6) and electronic components (96.7) showed signs of bottoming out, even as both remained firmly below trend.

These results are broadly in line with the latest WTO trade forecast of 2 April 2019, which showed merchandise trade volume growth slowing to 2.6% in 2019 from 3.0% in 2018 amid substantial downside risks. It should be noted that the trade forecast and the WTOI do not reflect recent major trade measures imposed by major economies. The outlook for world trade could deteriorate further if trade tensions are not reduced or if macroeconomic policy fails to adjust to changing circumstances.

World Trade Outlook Indicator

96.3

(Index, trend = 100)



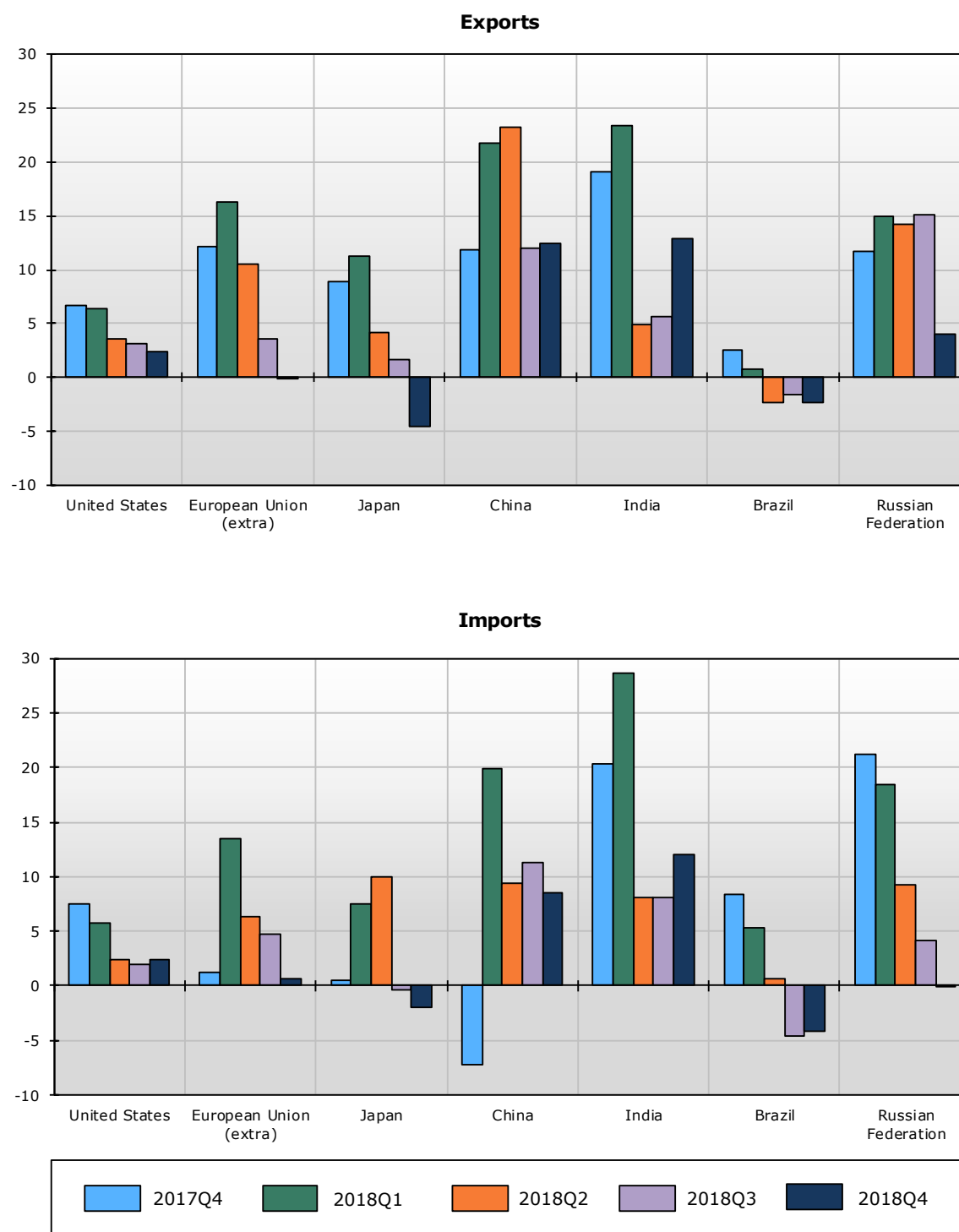
Drivers of trade

	Level of Index	Direction of change
Merchandise trade volume (Q4)	100.2	↓
Export orders	96.6	↑
International air freight (IATA)	92.3	↓
Container port throughput	101.0	↓
Automobile production and sales	92.2	↓
Electronic components	96.7	→
Agricultural raw materials	92.4	↓

Source: WTO Secretariat.

Chart 2.6 Commercial services' exports and imports of selected economies, 2017Q4-2018Q4

(Year-on-year percentage change in current USD values)



Source: WTO and UNCTAD Secretariats.

Table 2.1 Merchandise trade volume and real GDP growth, 2015-20

(Annual % change)

	2015	2016	2017	2018	2019 ^a	2020 ^a
Volume of world merchandise trade^b	2.3	1.6	4.6	3.0	2.6	3.0
Exports						
Developed economies	2.4	1.0	3.6	2.1	2.1	2.5
Developing economies ^c	1.7	2.3	5.6	3.5	3.4	3.7
North America	1.1	0.3	4.2	4.3	2.7	3.7
South and Central America and the Caribbean	-0.4	0.7	3.0	0.6	0.7	1.0
Europe	2.9	1.2	3.7	1.6	1.8	2.0
Asia	1.4	2.3	6.8	3.8	3.7	4.1
Other regions ^d	3.2	2.9	1.6	2.7	3.4	3.1
Imports						
Developed economies	4.2	2.0	3.3	2.5	1.9	1.9
Developing economies ^c	0.6	1.3	6.8	4.1	3.6	3.9
North America	5.4	0.1	4.0	5.0	3.6	2.5
South and Central America and the Caribbean	-8.4	-8.8	4.6	5.2	2.6	5.8
Europe	3.5	3.1	2.9	1.1	1.0	2.1
Asia	3.9	3.6	8.3	5.0	4.6	3.7
Other regions ^d	-4.3	-1.9	2.5	0.5	0.5	1.9
Real GDP at market exchange rates	2.8	2.4	3.0	2.9	2.6	2.6
Developed economies	2.3	1.7	2.3	2.2	1.8	1.7
Developing economies ^c	3.7	3.7	4.3	4.1	4.0	4.3
North America	2.8	1.6	2.3	2.8	2.5	2.2
South and Central America and the Caribbean	-0.8	-2.1	0.8	0.6	1.8	2.7
Europe	2.4	2.0	2.7	2.0	1.1	1.5
Asia	4.3	4.1	4.5	4.3	4.2	4.0
Other regions ^d	1.2	2.2	1.9	2.2	2.4	2.6

a Figures for 2019 and 2020 are projections.

b Average of exports and imports.

c Includes the CIS, including associate and former member States.

d Other regions comprise Africa, the Middle East and the CIS.

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

2.25. The following Box takes a look at the potential costs associated with a global trade war scenario.

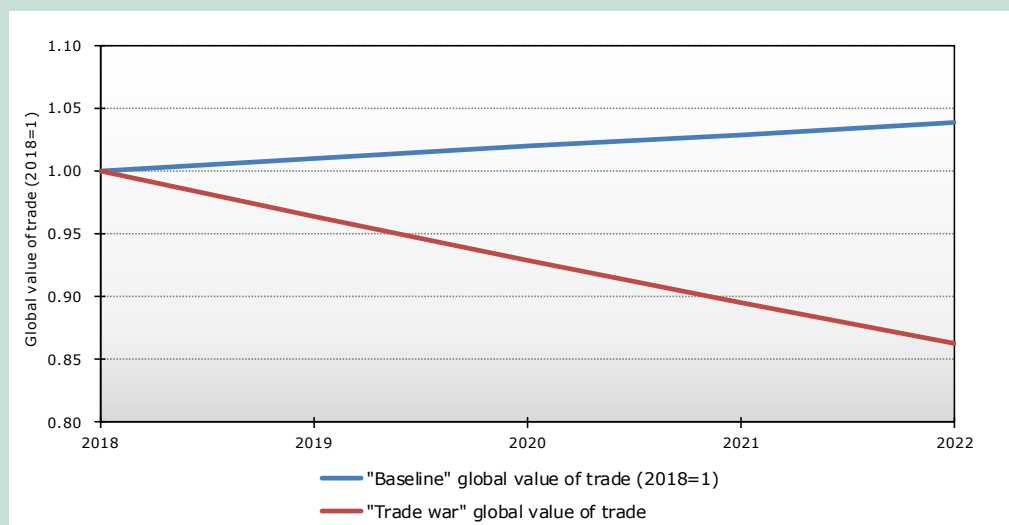
Box 2.2 A global trade war – potential costs

The series of trade actions triggered by US tariffs on steel and aluminium products and on China's exports to the United States, and the responses by US trade partners to those actions, contributed to a significant increase in the value of trade affected by trade-restrictive measures as reported in the November 2018 WTO Trade Monitoring Report. These tariff increases roiled financial markets but have yet to lead to significant trade and GDP impacts. The danger, though, is that current trade tensions could escalate further, entangling more WTO Members and covering more sectors.

Some recent research points to the potentially high economic cost of a full-blown trade war (Bekkers and Teh, 2019). Trade war is described in the study as a worst case scenario where international trade cooperation breaks down and countries set tariffs non-cooperatively. For WTO Members, this would mean not honouring their tariff commitments and setting tariffs that, in most cases, would exceed WTO bindings. It uses the estimates from Nicita et al (2018)^a, who calculated that a trade war would result in a 32-percentage point increase in the tariff protection faced by the average world exporter.

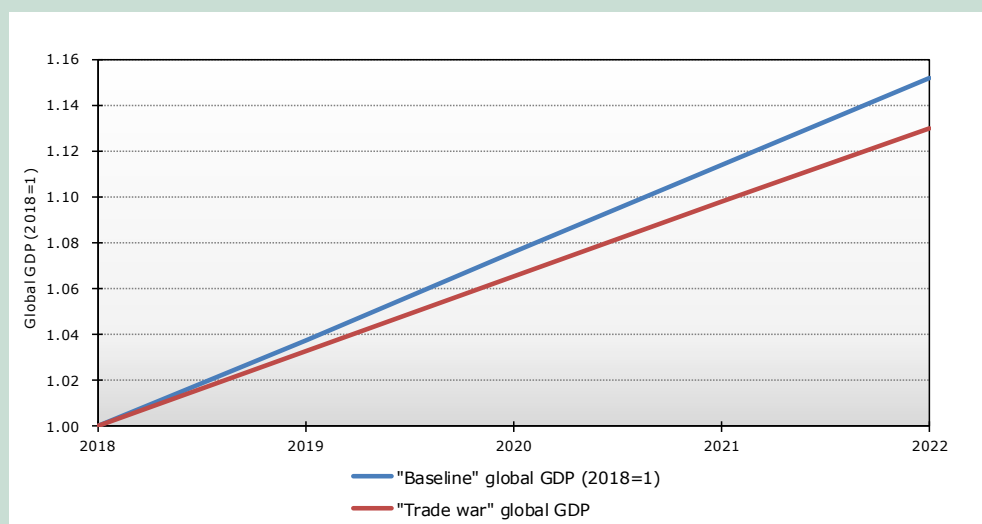
Using this estimated increase in world-wide tariffs in a dynamic computable general equilibrium (CGE) model, the study projects that a global trade war which begins in 2019 could, by 2022, lead to a reduction in global GDP of about 1.96%, and a reduction in global trade of about 17% compared to the baseline scenario of no trade war. Figures 1 and 2 below show how much trade and GDP would be affected in 2022 by a trade war relative to the baseline. To provide some context for these figures, global GDP fell about 2.1% and global trade 12.4% at the time of the global financial crisis of 2009.

Figure 1: Value of global trade in trade conflict, 2018-22



Source: WTO Global Trade Model simulation results.

Figure 2: Global GDP in trade conflict, 2018-22



Source: WTO Global Trade Model simulation results.

Going beyond these reductions in global trade and GDP, the study finds much larger, double-digit sectoral production effects in many countries. The increase in barriers to trade compel a reallocation of resources away from their most efficient use based on comparative advantage. Further, these sectoral production changes inflict painful adjustments on workers, as they cause substantial labour displacement. Across the world, an average 1.15% and 1.74% of high-skilled and low-skilled workers, respectively, would have to leave their initial sector of employment to find jobs elsewhere. In total, this would affect about 69 million workers globally who would have to find employment elsewhere in the economy.

Notes:

a Nicita, A., Olarreaga, M. and Silva, P. (2018). "Cooperation in WTO's Tariff Waters?", *Journal of Political Economy*, 126:3, pp. 1302-1338.

Source: Bekkers, E. and Teh, R. (2019). "Potential economic effects of a Global Trade Conflict – Projecting the medium-run effects with the WTO Global Trade Model", WTO Staff Working Paper, ERSD-2019-04.

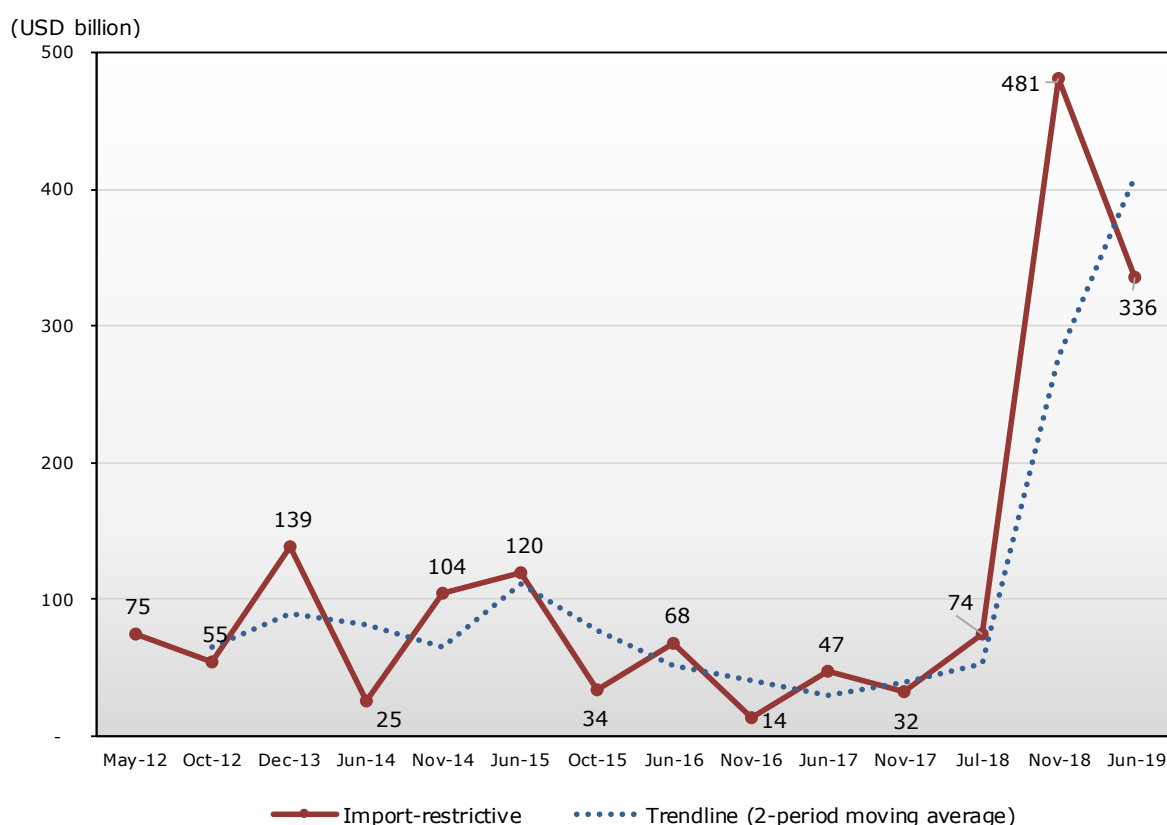
3 TRADE AND TRADE-RELATED POLICY DEVELOPMENTS

3.1 Overview of Trends Identified During the Period under Review

3.1. The following Section provides analysis of selected trade and trade-related policy developments in G20 economies during the period from 16 October 2018 to 15 May 2019.¹ Several of the measures referred to in this section were raised in various WTO Councils and Committees during that period. This is covered in Section 3.5.

3.2. During the review period, trade tensions continued to dominate the headlines and added to the uncertainty surrounding international trade and the world economy. This Report provides evidence that this turbulence is continuing, with trade flows being hit by new trade restrictions on a historically high level. The trade coverage of new import-restrictive measures introduced by G20 economies during this period was more than three-and-half times the average since May 2012 when the Report started including trade coverage figures. The trade coverages of both import-restrictive and import-facilitating measures recorded in this Report are considerably above the historical trend as can be seen in Charts 3.1 and 3.2. This is directly due to a few significant trade-facilitating and trade-restrictive measures by two G20 economies, as opposed to a more evenly spread implementation of trade measures across the G20.

Chart 3.1 Trade coverage of new import-restrictive measures in each reporting period (not cumulative)



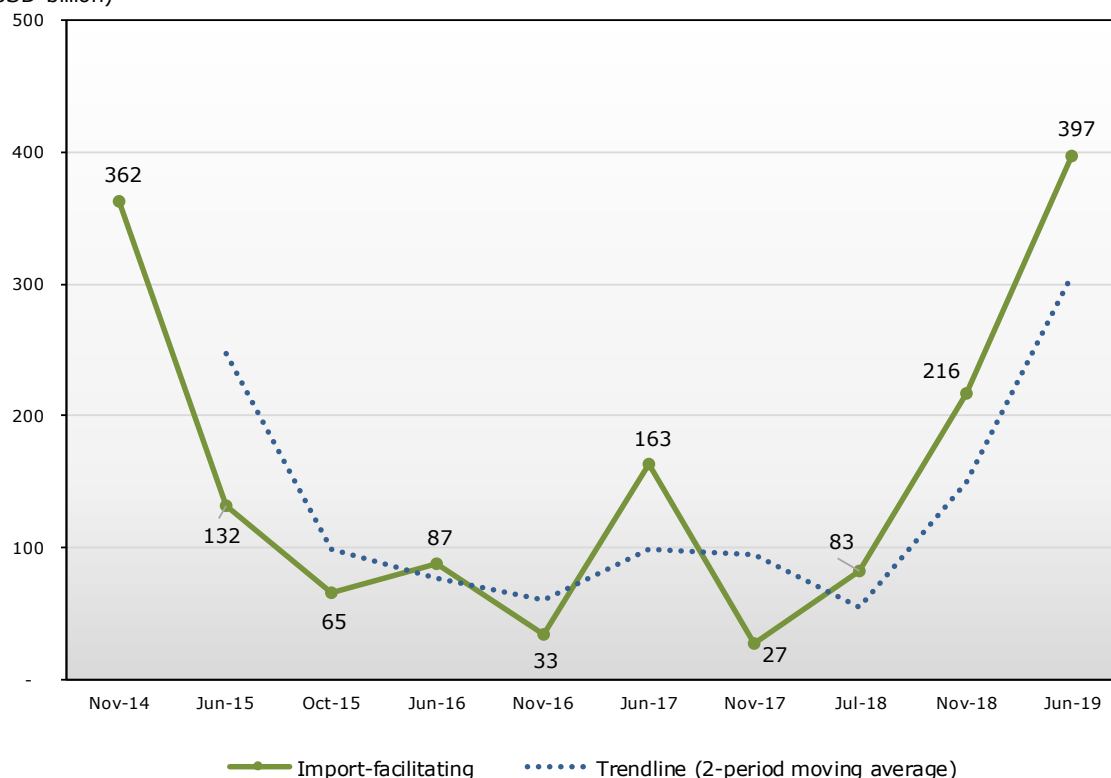
Note: These figures are estimates and represent the trade coverage of the measures (i.e. annual imports of the products concerned from economies affected by the measures) introduced during each reporting period and not the cumulative impact of the trade measures.

Source: WTO Secretariat.

¹ This is the fifth WTO Monitoring Report on G20 trade measures since a methodology change which introduced a separate annex for trade remedy measures (see Box 1). The Report continues to cover and crystalize the same factual information and the same types of measures.

Chart 3.2 Trade coverage of new import-facilitating measures in each reporting period (not cumulative)

(USD billion)



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) and not the impact of the trade measures. Liberalization associated with the 2015 Expansion of the WTO's Information Technology Agreement is not included in the figures.

Source: WTO Secretariat.

3.3. The Report also notes that several significant trade-restrictive measures either will be implemented shortly after the period covered by this Report or remain under consultation for potential later implementation, suggesting that the precarious situation in global trade will persist. Measures which have been announced but have not yet been implemented are not included in this Report. The WTO Secretariat will continue to monitor this situation and seek further information on these measures, including implementation dates and products covered. Measures implemented after 15 May 2019 will be covered by the next G20 Report.

3.4. A total of 221 trade measures were recorded for the G20 economies during the review period (Chart 3.3).² This figure includes measures facilitating trade, trade remedy measures and other trade and trade-related measures (restrictive measures).

3.1.1 Measures facilitating trade

3.5. Annex 1 to this Report lists measures which are clearly trade-facilitating.

3.6. During the review period, 29 new measures aimed at facilitating trade were recorded for the G20 economies (Table 3.1), including 12 of a temporary nature. This represents 13% of the total

² See Annexes 1-3. 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.

number of measures recorded. The monthly average of 4.1 trade-facilitating measures recorded for the period is the lowest registered since 2012.³

3.7. Table 3.1 shows that the reduction or elimination of import tariffs continue to make up the overwhelming majority of trade-facilitating measures, followed by the reduction of export duties⁴ and the elimination or simplification of customs procedures for exports.⁵

Table 3.1 Measures facilitating trade (Annex 1)

Type of measure	2012	2013	2014	2015	2016	2017	2018	Mid-May 18 to mid-Oct 18 (5 months)	Mid-Oct 18 to mid-May 19 (7 months)
Import	83	62	72	68	62	62	67	29	25
- Tariff	72	50	59	56	53	50	60	27	22
- Customs procedures	8	11	9	8	7	10	3	1	1
- Tax	1	1	0	3	2	2	3	1	1
- QRs	2	0	4	1	0	0	1	0	1
Export	7	4	5	19	12	19	8	4	4
- Duties	3	2	2	10	5	1	5	3	2
- QRs	3	2	1	2	1	1	0	0	0
- Other	1	0	2	7	6	17	3	1	2
Other	4	1	1	2	2	0	0	0	0
Total	94	67	78	89	76	81	75	33	29
<i>Average per month</i>	<i>7.8</i>	<i>5.6</i>	<i>6.5</i>	<i>7.4</i>	<i>6.3</i>	<i>6.8</i>	<i>6.3</i>	<i>6.6</i>	<i>4.1</i>

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

Source: WTO Secretariat.

3.8. The trade coverage of the import-facilitating measures introduced during the review period was USD 397.2 billion⁶, i.e. 2.92% of the value of G20 merchandise imports or 2.28% of the value of world merchandise imports.⁷ This is 1.8 times more than the trade coverage reported for this type of measures during the previous period. The HS Chapters within which most of the trade-facilitating measures were taken include machinery and mechanical appliances (HS 84) 15.6%, electrical machinery and parts thereof (HS 85) 14%, copper and articles thereof (HS 74) 9%, and plastic and articles thereof (HS 39) 7.5%.

3.1.2 Trade remedy actions

3.9. During the review period, 172 trade remedy actions were recorded for G20 economies (Table 3.2), i.e. 78% of all trade measures recorded in this Report.⁸ An overview of these trade remedy measures can be found in Annex 2. As can be seen from Table 3.2 below, and for the first time since the beginning of the trade monitoring exercise, the number of initiations of new trade

³ Contrary to previous Reports which reported on the very significant trade coverage of measures resulting from the implementation of the ITA expansion Agreement, the present review period did not see any G20 measure implemented in this context.

⁴ For example, reduction of export duties on bones; ores, slag and ash; organic and inorganic chemicals; and base metals and articles of base metals.

⁵ For example, simplification of administrative customs procedures on exports of raw hides, and electronic processing applications for sanitary goods in transit.

⁶ Import-facilitating measures include two measures by China (reduction of import tariffs on 1,585 tariff lines and interim tariffs) accounting for 88% of the total, and two measures by Brazil (reduction of import tariffs on capital goods) accounting for 4%.

⁷ The trade coverage of a measure is calculated to be the value of annual imports of the specific product concerned from countries affected by the measure. Highly-traded goods may significantly influence trade coverage estimates.

⁸ A single methodology for the counting of AD and CVD investigations is being applied across the Report, i.e. on the basis of the number of exporting countries or customs territories affected by an investigation or by a termination. Thus, one AD or CVD investigation involving imports from *n* countries/customs territories is counted as *n* investigations. Similarly, the termination of an AD or CVD action is counted as *n* terminations.

remedy investigations by G20 economies equals the number of terminated trade remedy actions.⁹ The monthly average of initiations of trade remedy actions during the review period is the lowest registered since 2012. The sharp drop in AD initiations, in particular, contributed to this development. Initiations of anti-dumping (AD) investigations continue to be the most frequent trade remedy action, accounting for more than three-quarters of all initiations during the review period.

3.10. Compared to the previous period, the monthly average of trade remedy terminations has remained stable. Furthermore, in 2018, for the first time since 2012, G20 AD terminations outpaced AD initiations.

Table 3.2 Trade remedy actions (Annex 2)

Type of measure	2012	2013	2014	2015	2016	2017	2018	Mid-May 18 to mid-Oct 18 (5 months)	Mid-Oct 18 to mid-May 19 (7 months)
Initiations	201	278	258	210	262	258	216	85	86
- AD	166	238	208	175	226	213	160	63	67
- CVD	22	33	37	31	30	39	47	19	15
- SG	13	7	13	4	6	6	9	3	4
<i>Average per month</i>	<i>16.8</i>	<i>23.2</i>	<i>21.5</i>	<i>17.5</i>	<i>21.8</i>	<i>21.5</i>	<i>18.0</i>	<i>17.0</i>	<i>12.3</i>
Terminations	161	153	171	151	143	112	182	60	86
- AD	130	135	144	122	121	91	161	53	74
- CVD	21	15	21	19	15	11	20	7	9
- SG ^a	10	3	6	10	7	10	1	0	3
<i>Average per month</i>	<i>13.4</i>	<i>12.8</i>	<i>14.3</i>	<i>12.6</i>	<i>11.9</i>	<i>9.3</i>	<i>15.2</i>	<i>12.0</i>	<i>12.3</i>

a For SG, the "terminations" figure for a specific year is the sum of the following: (a) all ongoing investigations terminated during the course of that specific year without any measure and (b) all imposed measures expired during the course of that specific year.

Note: The information on trade remedy actions from 2012 to 2018 is based on the semi-annual notifications by G20 economies. For the present review period, the information is also based on the responses and the verifications received directly from G20 economies. Anti-circumvention measures are not included in the above numbers.

Source: WTO Secretariat.

3.11. Trade remedy actions taken during the review period covered a wide range of products, including initiations of investigations on prefabricated buildings and certain furniture (HS 94) accounting for 32.1%, products of iron and steel (HS 73) 23.4%, machinery and mechanical appliances (HS 84) 10.6%, and cereals (HS 10) 7%.

3.12. The trade coverage of all trade remedy investigations initiated during the review period was USD 18.4 billion, i.e. 0.14% of the value of G20 merchandise imports, or 0.11% of the value of world merchandise imports. This is down from the trade coverage recorded for such measures during the previous period (Table 3.3). For terminations, the trade coverage was valued at USD 14.6 billion (0.11% of the value of G20 merchandise imports, or 0.08% of world merchandise imports), two and half times higher than the figure reported in the previous G20 Report.

⁹ Termination means either the termination of the investigation (without imposition of a measure) or the elimination of the imposed measure.

Table 3.3 Share of trade covered by trade remedy initiations

	Mid-Oct 15 to mid-May 16 ^b	Mid-May to mid-Oct 16 ^c	Mid-Oct 16 to mid-May 17 ^c	Mid-May to mid-Oct 17 ^d	Mid-Oct 17 to mid-May 18 ^d	Mid-May 17 to mid-Oct 18 ^e	Mid-Oct 18 to mid-May 19 ^d
Share in G20 imports	0.47%	0.11%	0.20%	0.24%	0.43%	0.18%	0.14%
Share in total world imports	0.36%	0.08%	0.15%	0.19%	0.33%	0.14%	0.11%

- a Based on 2013 import data.
b Based on 2014 import data.
c Based on 2015 import data.
d Based on 2016 import data.
e Based on 2017 import data.

Source: WTO Secretariat.

3.1.3 Other trade and trade-related measures¹⁰

3.13. Annex 3 to this Report lists measures which may be considered to have a trade-restrictive effect.

3.14. A total of 20 new trade-restrictive measures were recorded for G20 economies collectively. This amounts to an average of 2.9 restrictive measures per month, the lowest level since 2012. Tariff increases account for almost 70% of all import-restrictive measures recorded, followed by import bans.¹¹ On the export side, customs procedures, duties and quantitative restrictions (QRs) were recorded (Table 3.4)¹²

3.15. The measures recorded in Annex 3 cover a wide range of products. The main sectors affected (HS Chapters) were machinery and mechanical appliances (HS 84) 19.2%; electrical machinery and parts thereof (HS 85) 15.7%; precious metals (HS 71) 10.8%; and furniture, mattresses and its support, lamps, prefabricated buildings (HS 94) 8.2%.

3.16. The trade coverage of the trade-restrictive measures affecting imports implemented during the review period was USD 335.9 billion, i.e. 2.47% of the value of G20 merchandise imports, or 1.93% of the value of world merchandise imports.¹³ This is the second highest figure on record, after the USD 480.9 billion reported in the previous period. Together these two periods represent a dramatic spike in trade-restrictive measures.

Table 3.4 Other trade and trade-related measures (Annex 3)

Type of measure	2012	2013	2014	2015	2016	2017	2018	Mid-May to mid-Oct 18 (5 months)	Mid-Oct 18 to Mid-May 19 (7 months)
Import	59	59	45	59	42	39	60	34	16
- Tariff	25	34	29	35	25	23	46	25	11
- Customs procedures	25	15	12	18	13	12	2	1	1
- Tax	3	3	2	3	2	1	3	1	1
- QRs	4	7	2	3	2	2	8	6	3
- Other	2	0	0	0	0	1	1	1	0

¹⁰ Annex 3 does not include SPS, TBT and services measures, which are dealt with in Sections 3.3, 3.4, and 4 and Annex 4.

¹¹ For example, QRs on gold, pulses, milk and milk products.

¹² For example, QRs on iron and steel ferrous waste and scarp; duties on oil-cake and other solid residues; new requirements on coffee exports; and non-automatic export licensing.

¹³ These figures include one measure by the United States (extension of the imposition of additional rates on products from China), accounting for 59.8% of the total; one measure by Argentina (statistical fees on all imports), accounting for 19.9%; and one measure by India (amendments to import policy of gold ore), accounting for 10.7%.

Type of measure	2012	2013	2014	2015	2016	2017	2018	Mid-May to mid-Oct 18 (5 months)	Mid-Oct 18 to Mid-May 19 (7 months)
Export	10	20	14	23	6	11	10	6	4
- Duties	1	1	4	5	1	3	6	3	1
- QRs	5	4	5	4	1	4	2	1	1
- Other	4	15	5	14	4	4	2	2	2
Other	9	4	9	9	10	12	1	0	0
- Other ^a	5	0	0	0	3	2	1	0	0
- Local content	4	4	9	9	7	10	0	0	0
Total	78	83	68	91	58	62	71	40	20
<i>Average per month</i>	<i>6.5</i>	<i>6.9</i>	<i>5.7</i>	<i>7.6</i>	<i>4.8</i>	<i>5.2</i>	<i>5.9</i>	<i>8.0</i>	<i>2.9</i>

a Other than local content measures.

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

Source: WTO Secretariat.

Table 3.5 Share of trade covered by import-restrictive measures (Annex 3)

	Mid-Oct 15 to mid-May 16 ^c	Mid-May to mid-Oct 16 ^c	Mid-Oct 16 to mid-May 17 ^d	Mid-May to mid-Oct 17 ^d	Mid-Oct 17 to mid-May 18 ^d	Mid-May to mid-Oct 18 ^e	Mid-Oct 18 to mid-May 19 ^e
Share in G20 imports	0.51%	0.11%	0.37%	0.26%	0.61%	3.53%	2.47%
Share in total world imports	0.40%	0.08%	0.29%	0.2%	0.47%	2.73%	1.93%

a Based on 2013 import data.

b Based on 2014 import data.

c Based on 2015 import data.

d Based on 2016 import data.

e Based on 2017 import data.

Source: WTO Secretariat.

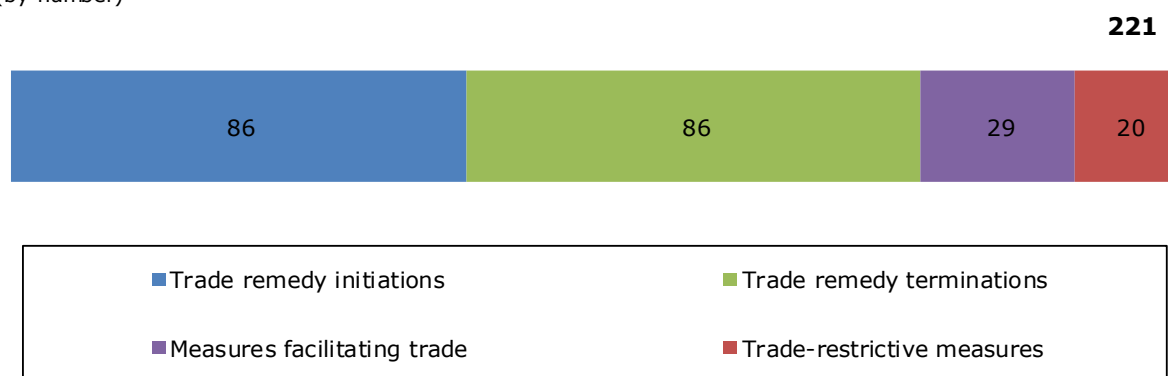
3.17. The above Sections have provided detailed factual information on the latest trends among the G20 economies in trade policy-making and the implementation of trade measures. The coverage of import-restrictive measures during the period is estimated at USD 335.9 billion. The Sections provide evidence that trade flows have been hit by new trade restrictions on a historically high level. The trade coverage of new restrictive measures introduced by G20 economies during this period was more than three-and-a-half times the average since May 2012 when the Report started including trade coverage figures.

3.18. A small number of trade measures account for an overwhelming share of the trade coverage for both import-facilitating and import-restrictive measures. Other measures, trade-restrictive as well as trade-facilitating, were announced for implementation after the current review period. By the time of publication of this Report, some of those measures will have likely entered into force. They will be included in the next Report. Other trade measures with a potentially large impact on global trade remain under consideration. Although the implementation of these measures is currently on hold, the fact that they remain a possibility continue to cast a shadow over the outlook for international trade.

3.19. As noted in Section 2 of this Report, there are many factors, including weaker global economic activity, tighter monetary policies, and increased financial volatility which may contribute to the current trade slow-down. This Section has provided additional perspective on the specific trade measures which contribute to this slow-down.

Chart 3.3 G20 measures, mid-October 2018 to mid-May 2019

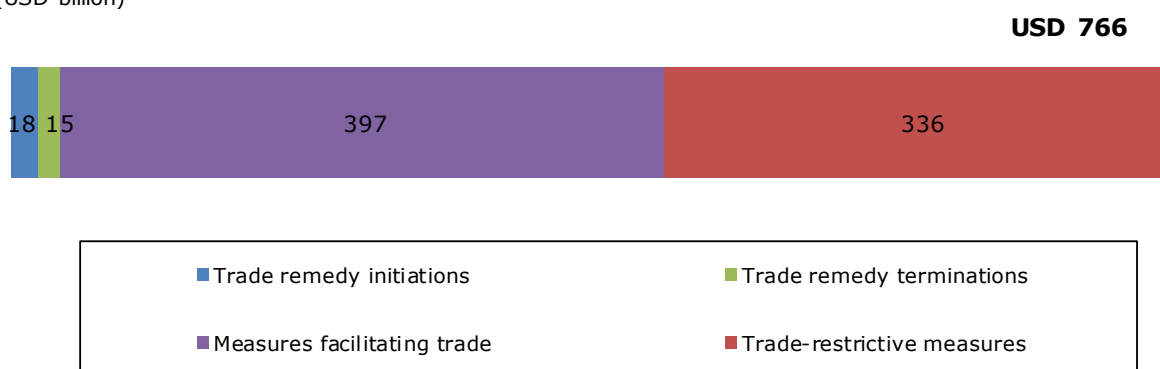
(by number)



Source: WTO Secretariat.

Chart 3.4 Trade coverage of G20 measures, mid-October 2018 to mid-May 2019

(USD billion)



Source: WTO Secretariat.

3.20. Box 3.1 looks at selected studies on the implications of the escalation of trade tensions between the United States and China.

Box 3.1 Implications of the current trade tensions – Studies

The previous G20 Trade Monitoring Report at the end of 2018 reported on the implementation of several important tariff increases by the United States and China. Several studies have endeavoured to provide further perspective on how these higher tariffs have impacted bilateral trade between the United States and China as well as international trade overall. Below is a non-exhaustive overview of some of these studies.

Research conducted by the [Institute of International Finance](#) (IIF) in February 2019 studied the impact of US tariffs on Chinese imports. The research suggests that, although half of US imports from China are subject to substantial tariffs, total imports from China and the bilateral trade deficit continue to grow. According to the study, imports of goods subject to a 25% tariff since July/August 2018 which are levied on USD 50 billion worth of goods are sharply declining based on data for both price and volume of 7,000 products subject to new tariffs. According to the analysis, US importers are using fewer Chinese goods, while Chinese exporters have partially absorbed tariffs into profit margins to retain market share. However, total US imports from China appear resilient to tariffs; and an increase of imports of goods not subject to new tariffs indicate that developments in goods on the USD 50 billion list are not a reflection of a broad-based decrease in imports from China. The study further assessed the list of Chinese goods worth USD 200 billion which are subject to a 10% tariff since September 2018. It finds that strong exports to the United States of Chinese goods have been recorded due to "front-loading" shipments in anticipation of the United States raising tariff rates on this list of goods to 25% from the current 10%, if no agreement is reached between the United States and China by early 2019.^a

Another study by the [European Network for Economic and Fiscal Policy Research](#) finds that the greatest share of the US tariff burden on Chinese imports does not fall on American consumers or firms, but rather on Chinese exporters. Based on the analysis, a 25% increase in tariffs raises US consumer prices on all affected Chinese products by only 4.5% on average, while the producer price of Chinese firms declines by 20.5%. The import duties levied on Chinese goods have high import elasticities, thus a large share of the tariff burden is transferred on to Chinese exporters. Chinese firms pay approximately 75% of the tariff burden, and the tariffs decrease Chinese exports of affected goods to the United States by around 37%. This implies that the bilateral trade deficit between the United States and China drops by 17%.^b

A recent paper published by [Princeton University](#) exploring the impacts of US trade policy on prices and welfare states that, over the course of 2018, the United States experienced substantial increases in the prices of intermediates and final goods, dramatic changes to their supply-chain network, reductions in availability of imported varieties, and a complete pass-through of the tariffs into domestic prices of imported goods. The paper concludes that the full incidence of the tariff falls on domestic consumers, with a reduction in US real income of USD 1.4 billion per month by the end of 2018. It states that similar patterns have been also observed in foreign countries who have retaliated against the United States, suggesting that the trade war has also reduced real income for other countries.^c

Another paper, published by the [National Bureau of Economic Research](#) in March 2019^d, analyses the impacts of the 2018 trade war on the US economy and finds that US imports from targeted countries declined by 31.5% within products, while targeted US exports fell by 11.0%. It affirms a complete pass-through of the US tariffs to a variety-level of import prices, and estimates the annual consumer and producer losses resulting from the higher cost of imports at USD 68.8 billion (0.37% of GDP). It estimates the aggregate welfare loss, after accounting for higher tariff revenues and gains to domestic producers from higher prices, at USD 7.8 billion (0.04% of GDP).

Notes:

- a The Institute of International Finance (2019), Economic Views. "Are Tariffs on China Working?", 5 February 2019.
- b European Network for Economic and Fiscal Policy Research (2018), "Who is Paying for the Trade War with China?", by Zoller-Rydek, B. and Felbermayr, G., November. Viewed at: http://www.econpol.eu/sites/default/files/2018-11/EconPol_Policy_Brief_11_Zoller_Felbermayr_Tariffs.pdf.
- c Amiti, M. – Federal Reserve Bank of New York and CEPR, Redding, S.J. – Princeton University and CEPR and Weinstein, D. – Columbia University, The Impact of the 2018 Trade War on US Prices and Welfare (1 March 2019). Viewed at: <https://www.princeton.edu/~reddings/papers/CEPR-DP13564.pdf>.
- d National Bureau of Economic Research, Fajgelbaum, P.D., Goldberg, P.K., Kennedy, P.J. and Khandelwal, A.K., The Return to Protectionism, (March 2019). Viewed at: <https://www.nber.org/papers/w25638.pdf>.

Source: WTO Secretariat.

3.21. Box 3.2 on the drivers of bilateral trade balances and spill-overs from tariffs was contributed by the IMF.

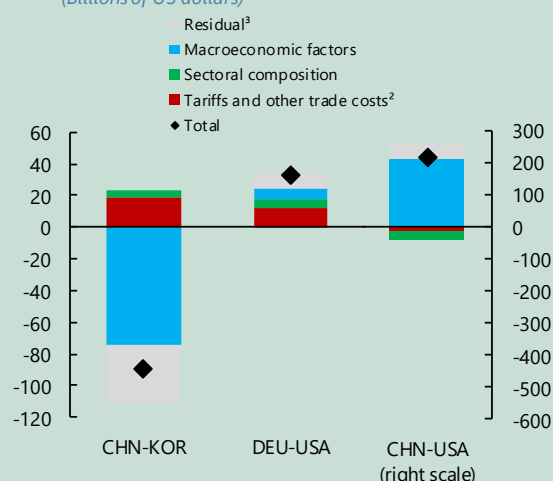
Box 3.2 Drivers of bilateral trade balances and spill-overs from tariffs

Bilateral trade balances (that is, the difference in the value of exports and imports between two countries) have come under scrutiny lately. Indeed, some policymakers are concerned that their large and growing size is the result of asymmetric obstacles to trade. In a recent study (IMF, 2019)^a, we show that the focus on bilateral balances is not the right one. Over the past two decades, changes in bilateral trade balances have mostly reflected the macroeconomic forces that are also known to determine aggregate trade balances, while the role of changes in tariffs has been very limited. Targeting a specific bilateral trade balance using tariffs would likely lead to trade diversion and offsetting changes in balances with other partners, with little or no impact on a country's aggregate trade balance. In addition to being ineffective to address external imbalances, tariffs are costly for economic activity, affecting negatively output, employment, and productivity for the countries directly involved, but also for other countries linked through global value chains.

Bilateral trade balances reflect macroeconomic forces, not tariffs

In a recent analysis – based on a study of 63 countries over 20 years and across 34 sectors – we quantify the drivers of changes in bilateral trade balances by using the standard trade gravity model. The model distinguishes between the roles of: (i) macroeconomic factors (i.e., the overall demand and supply of each country); (ii) tariffs; and (iii) countries' sectoral specialization – which reflects the international organization of production. We find that over the past two decades, the evolution of bilateral balances has been driven to a significant extent by changes in macroeconomic conditions in both trading partners (Figure 1). Macroeconomic conditions can reflect a wide range of factors and policies, such as fiscal policy and credit cycles, but in some cases also exchange rate policies and domestic supply-side policies (e.g. widespread subsidies to state-owned enterprises or to export sectors). In contrast, the role of changes in bilateral tariffs was modest, reflecting their already low levels in many countries and the fact that reciprocal tariff reductions had offsetting effects on bilateral trade balances.

Figure 1. Contributions to Changes in Bilateral Trade Balances, 1995-2015¹
(Billions of US dollars)

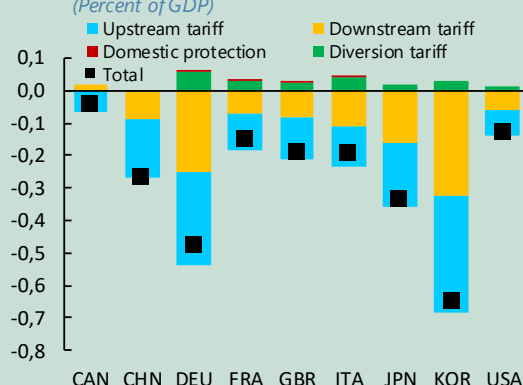


- 1 Average value 2010-15 minus average value 1995-1999.
- 2 This includes tariffs and free or preferential trade agreements.
- 3 The residual is the sum of the model residuals plus the approximation error.

Note: Data labels use International Organization for Standardization (ISO) country codes.

Sources: Organisation for Economic Co-operation and Development, Trade in Value Added database; and IMF staff calculations.

Figure 2. Illustration of the Effect of a 1 Percentage Point Generalized Tariff Increase on Real Value Added¹
(Percent of GDP)



- 1 Effects are partial equilibrium estimates based on a country-sector level analysis. The figure shows the change in the simulated tariff spill-overs between 1995 and 2011, the last year for which such an exercise is possible given data constraints. 2011 is a good approximation of current global value chain links because most of the growth in global value chain integration took place before 2011.

Note: Data labels use International Organisation for Standardization (ISO) country codes.

Source: IMF staff estimates.

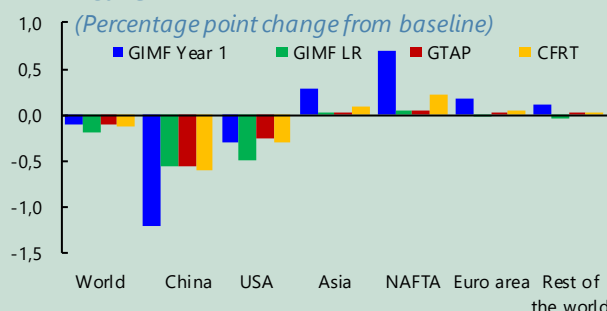
Tariffs are costly for economic activity

While tariffs had a limited direct effect on changes in bilateral trade balances, this does not mean that tariffs are innocuous. The significant decrease in both tariffs and other trade costs (for example transportation costs) since the mid-1990s has gone hand-in-hand with an intensification of participation in global value chains, facilitating specialization and productivity improvements. The flipside of this is that increases in tariffs would negatively affect productivity, employment and output, and that costs from tariff increases would be larger today given the greater interconnectedness of global production. A significant increase in tariffs would have ripple effects through global value chains, amplifying the detrimental impacts on output for the countries directly affected and for others up and down the global value chain. Simulations (based on country-sector estimations) illustrate that the output cost of a generalized 1 percentage point increase in manufacturing tariffs would be larger today than it would have been in the mid-1990s, particularly so for countries highly integrated in manufacturing supply chains (e.g. Germany and Korea, Republic of) (Figure 2).

Bilateral tariffs are ineffective and disruptive for global trade and growth

To illustrate this point, we ran simulations using three general equilibrium models and involving a hypothetical increase in tariffs on all goods traded between the United States and China by 25 percentage points. Three main messages emerge. First, the United States and China would not gain and would instead be the most affected, with a decrease in external demand and output losses in both countries (Figure 3). These losses are likely an underestimation as they do not factor in the toll that trade tensions take on confidence and financial markets. In addition, negative aggregate effects on output would be compounded by sectoral reallocations as global value chains are repositioned, implying sizeable job losses in specific sectors in both countries. Second, the change in the aggregate trade balance of both countries would be negligible, as each country's demand is diverted to other trading partners which do not face increased tariffs, benefitting countries such as Mexico, Canada and to a lesser extent east Asia. Finally, while some countries may benefit slightly from trade diversion, the global economy is worse off, reflecting the higher trading costs and distortions introduced to the existing division of labour.

Figure 3. Macro Effects from a 25 Percent Increase in Tariffs Affecting all US-China Trade: Real GDP¹



1 Effects are simulated from three general equilibrium models: GIMF, GTAP, and CFRT.

Note: CFRT = Caliendo and others (2017) model; GIMF = Global Integrated Monetary and Fiscal model; GTAP = Global Trade Analysis Project; LR = long run; NAFTA = North American Free Trade Agreement. In the figure, NAFTA is NAFTA countries excluding US and Asia is Asian countries excluding China.

Source: IMF calculations.

Policy conclusion

The overall findings suggest that the discussion of external imbalances is rightly focused on aggregate trade balances and current accounts, and on the macroeconomic distortions that may underlie them. In addition, further multilateral reductions in tariff and non-tariff trade barriers would benefit economic outcomes. Finally, while the findings suggest that reducing barriers to trade would benefit the global economy, there are valid concerns about the distributional effects of trade. It is therefore important to put in place specific policies to ensure that the gains from trade are widely shared and that those affected are adequately protected.

a International Monetary Fund, 2019. "The Drivers of Bilateral Trade and the Spillovers from Tariffs," World Economic Outlook, Chapter 4. April 2019. Authors: Johannes Eugster, Florence Jaumotte, Margaux MacDonald and Roberto Piazza. The views expressed herein are those of the authors and should not be attributed to the IMF, its Executive Board, or its management.

Source: IMF, World Economic Outlook 2019.

3.2 Trade Remedies¹⁴

3.22. This Section provides an assessment of trends in trade remedies during the following periods: January-June 2017, July-December 2017, January-June 2018 and July-December 2018.¹⁵ It also includes an assessment of these periods on a 6-month and 12-month basis, in order to show trends over time.

Anti-Dumping Measures¹⁶

3.23. The most recent data (July-December 2018) show a decrease of 56% in the number of anti-dumping (AD) investigations initiated by G20 members compared to the previous six-month period (January-June 2018). Table 3.6 shows that G20 members initiated 49 anti-dumping investigations in the most recent period, compared with 111 during the previous six months.

3.24. During 2018, there were decreases in the number of investigations initiated by Australia; China; the European Union; India; Indonesia; Japan; Korea, Republic of; Mexico; the Kingdom of Saudi Arabia; Turkey and the United States compared to 2017. In the same period, a notable increase was seen in the number of investigations initiated by Argentina and the Russian Federation.

¹⁴ This Section is without prejudice to the right of Members to take trade remedy actions under the WTO.

¹⁵ These periods coincide with the Member's semi-annual reporting periods.

¹⁶ Anti-dumping and countervailing investigations are counted on the basis of the number of exporting countries or customs territories affected by an investigation. Thus, one anti-dumping or countervailing investigation involving imports from n countries/customs territories is counted as n investigations.

Table 3.6 Initiations of anti-dumping investigations by G20 members

G20 member	Jan-June 2017	July-Dec 2017	Jan-June 2018	July-Dec 2018	2017	2018
Argentina	4	4	14	2	8	16
Australia	12	4	11	1	16	12
Brazil	5	2	7	0	7	7
Canada	8	6	5	9	14	14
China	9	15	8	8	24	16
European Union	3	6	2	6	9	8
India	34	15	28	3	49	31
Indonesia	0	1	0	0	1	0
Japan	2	0	0	0	2	0
Korea, Republic of	3	4	2	3	7	5
Mexico	1	7	1	2	8	3
Russian Federation ^a	1	0	5	1	1	6
Saudi Arabia, Kingdom of ^b	1	3	0	0	4	0
South Africa ^c				2	0	2
Turkey	6	2	6	0	8	6
United States	34	21	22	12	55	34
Total	123	90	111	49	213	160

a Notified by the Russian Federation, but investigations are initiated by the Eurasian Economic Union on behalf of all of its members collectively.

b Notified by all GCC member States collectively as investigations are initiated by the GCC regional investigating authority on behalf of all GCC member States.

c Notified by South Africa, but investigations are initiated by the Southern African Customs Union on behalf of all of its members collectively.

Source: WTO Secretariat.

3.25. In terms of product breakdown, except for the first six months of 2017, metal products accounted for the largest share of initiations, i.e. between 25%-55% of all investigations (Chart 3.5). This sector accounted for 41 initiations in the first half of 2017 and 21 initiations in the second. This number increased to 27 initiations in the first half of 2018 and remained constant in the second half. Steel products (HS Chapters 72 and 73) accounted for the vast majority of these investigations (96 out of 118) – 82%. In many instances, a single importing Member initiated investigations on the same steel product from a number of different sources simultaneously, e.g. eight steel products account for 48 of the investigations over these periods. China continues to be the most frequent target of investigations on metal products with 16 investigations during 2018, followed by Korea, Republic of; India and Turkey, with four each, and the European Union (Germany) and Viet Nam, with three each. The United States initiated 15 investigations in this sector during 2018, followed by Canada, with 11, and Argentina, with 5.

3.26. While chemical products accounted for the largest share of initiations in the first half of 2017, they subsequently trailed metals and plastics. The number of initiations into chemical products significantly decreased from 64 during 2017 to 31 during 2018. China was the principal driver behind these initiations, accounting for 27% of the 95 new investigations of products in this sector over the 24 months examined. China was, again, the most targeted Member of initiations in this sector during 2018 (5 out of 31), with the remainder affecting a wide range of exporting countries or customs territories.

3.27. Plastics and rubber accounted for 12% of all initiations during 2017 and 17% during 2018. India accounted for 18 of the 53 new initiations in this sector over the 24 months. Textiles accounted for 10% of all initiations during the entire reporting period.

3.28. Although anti-dumping investigations do not necessarily lead to the imposition of measures, a rise in the number of investigations initiated is an early indicator suggesting a likely rise in the

number of measures imposed. Over the 24 months covered in this Section, a total of 318 anti-dumping measures were imposed by G20 economies (Table 3.7). However, it is important to note that, as it can take up to 18 months for an anti-dumping investigation to be concluded once initiated, these measures may not necessarily be the result of initiations in the same period.

Table 3.7 Number of anti-dumping measures imposed by G20 members

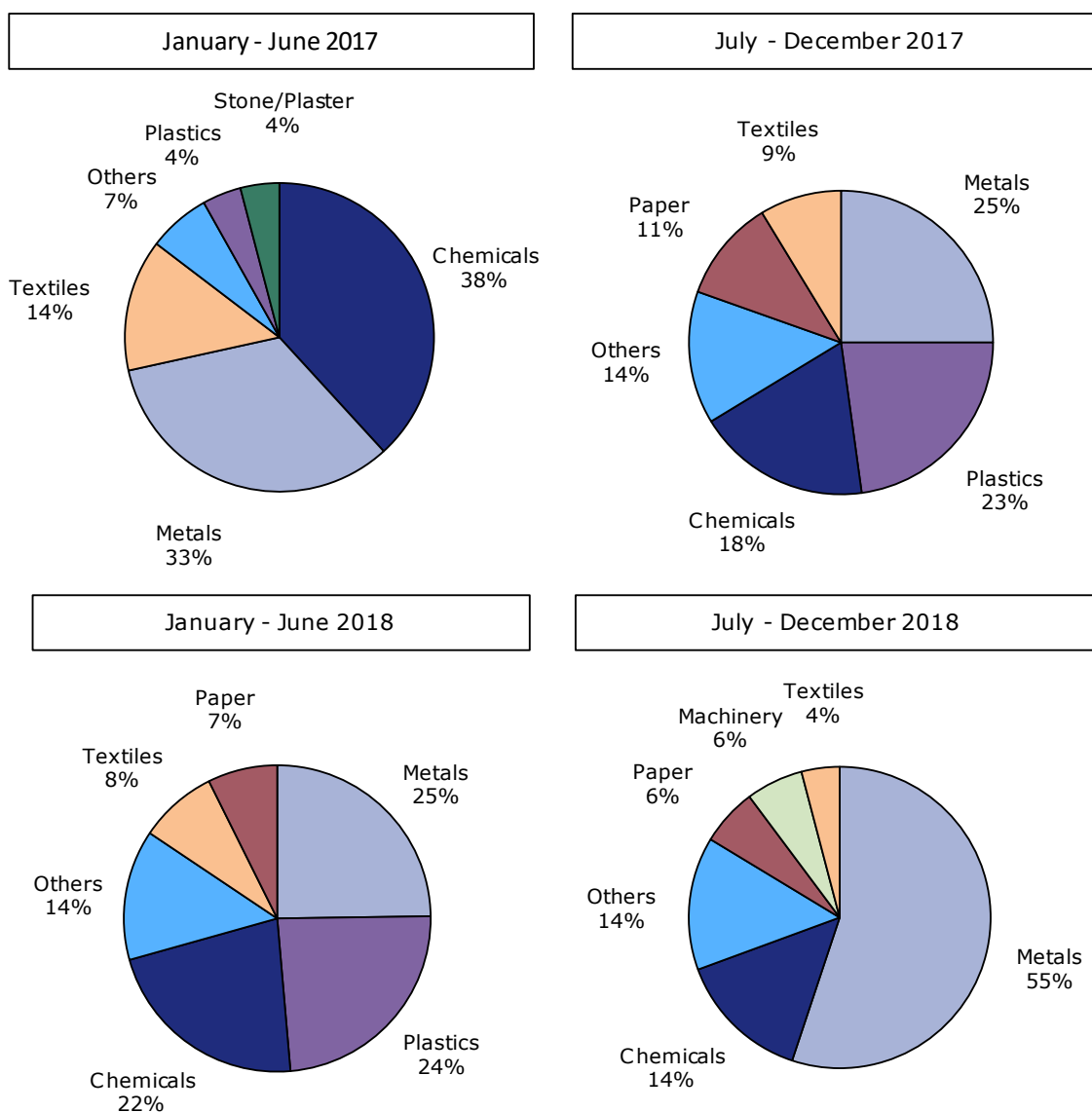
G20 member	Jan-June 2017	July-Dec 2017	Jan-June 2018	July-Dec 2018	2017	2018
Argentina	1	1	12	1	2	13
Australia	9	5	5	0	14	5
Brazil	6	4	6	3	10	9
Canada	10	0	2	5	10	7
China	2	3	9	14	5	23
European Union	7	4	2	1	11	3
India	31	16	27	9	47	36
Indonesia	2	1	1	0	3	1
Japan	0	1	2	0	1	2
Korea, Republic of	0	4	3	4	4	7
Mexico	2	0	6	1	2	7
Russian Federation ^a	0	1	0	0	1	0
Saudi Arabia, Kingdom of ^b	1	0	0	0	1	0
Turkey	2	8	8	2	10	10
United States	23	10	24	17	33	41
Total	96	58	107	57	154	164

a Notified by the Russian Federation, but investigations are initiated by the Eurasian Economic Union on behalf of all of its members collectively.

b Notified by all GCC member States collectively as investigations are initiated by the GCC regional investigating authority on behalf of all GCC member States.

Source: WTO Secretariat.

Chart 3.5 Initiation of anti-dumping investigations, by product

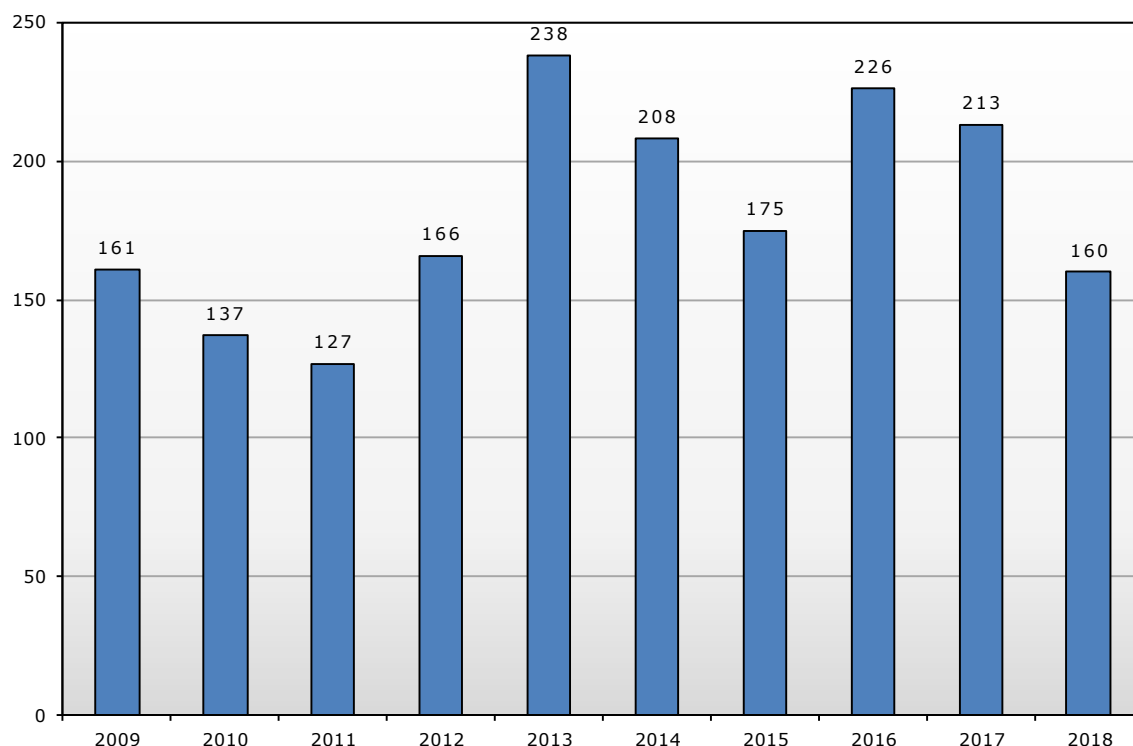


Note: Values are rounded.

Source: WTO Secretariat.

3.29. Since the first monitoring report was circulated in 2009, the number of initiations of anti-dumping investigations by G20 members has fluctuated as can be seen in Chart 3.6.

Chart 3.6 Initiations of anti-dumping investigations, 2009-18



Source: WTO Secretariat.

Countervailing Measures

3.30. As shown in Table 3.8, the countervailing activities of G20 economies decreased in the most recent period (July-December 2018) compared with the preceding six-month period. However, G20 countervailing activity overall increased significantly in 2018 compared to 2017.

Table 3.8 Initiations of countervailing duty investigations by G20 members

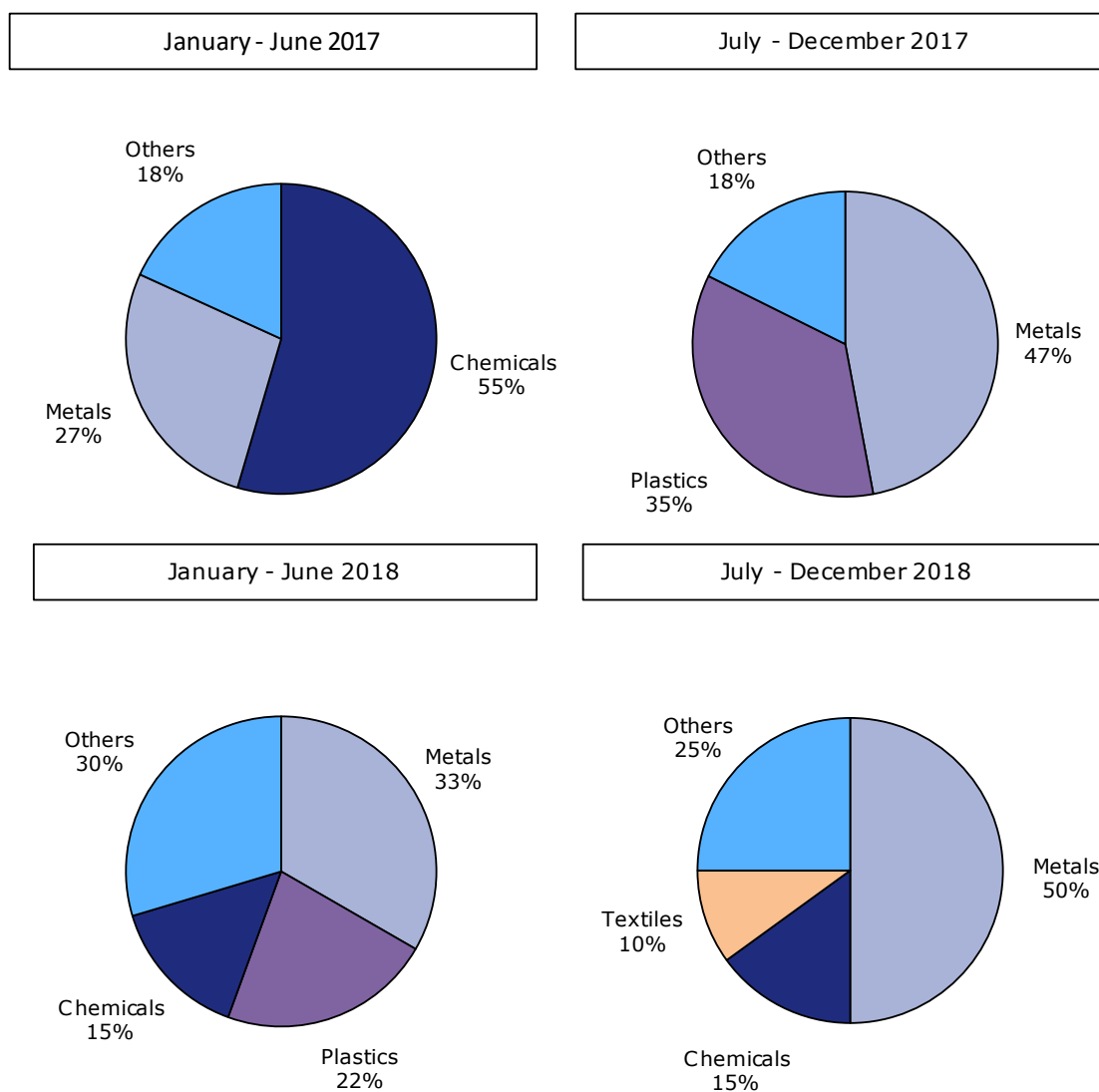
G20 member	Jan-June 2017	July-Dec 2017	Jan-June 2018	July-Dec 2018	2017	2018
Australia	0	0	2	1	0	3
Brazil	0	1	0	0	1	0
Canada	5	6	4	0	11	4
China	1	0	1	2	1	3
European Union	0	2	1	1	2	2
India	0	0	1	9	0	10
Turkey	0	0	1	0	0	1
United States	16	8	17	7	24	24
Total	22	17	27	20	39	47

Source: WTO Secretariat.

3.31. Various sectors were affected by countervailing investigations over the four periods, with metal products remaining the most targeted, i.e. accounting for 33 of the 86 initiations by G20 members over the 24 months examined. Twenty-four of these investigations involving the metals sector concerned steel products. Almost all of the investigations involving the metal sector were conducted concurrently with an anti-dumping investigation on the same product.

3.32. The chemical and plastics sectors accounted for the second- and third-largest numbers of investigations, with 19 and 13 initiations, respectively. The remaining investigations covered a range of goods, including paper, textiles, foodstuffs, live animals and wood products.

Chart 3.7 Initiations of countervailing investigations by product

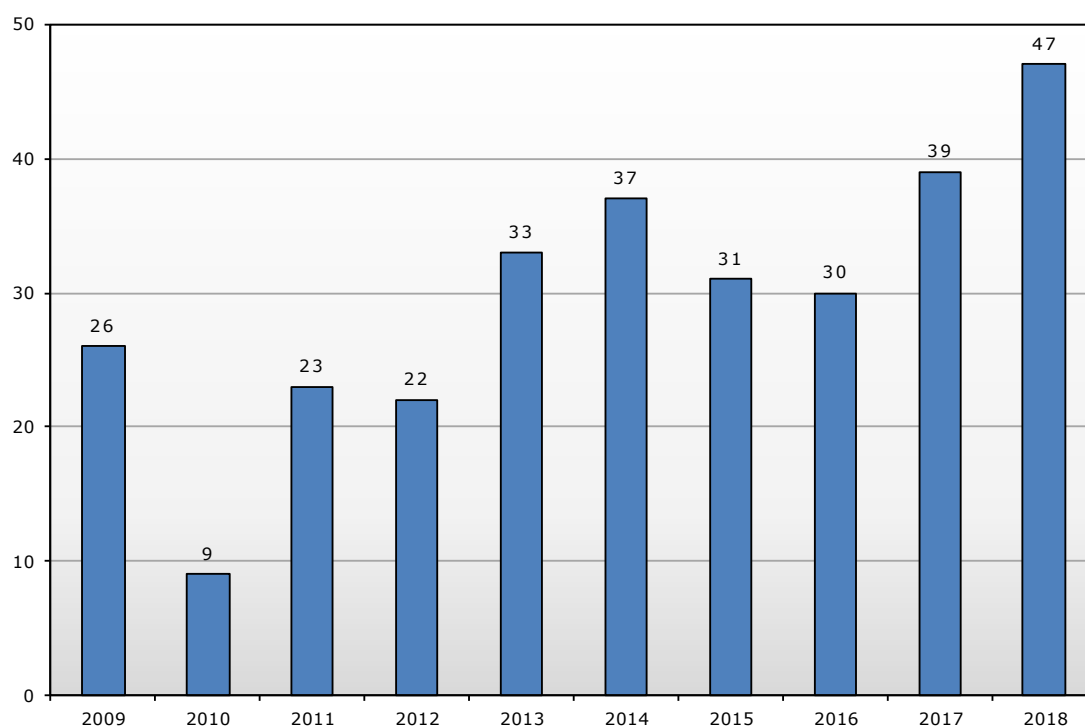


Note: Values are rounded.

Source: WTO Secretariat.

3.33. Since the first monitoring report was circulated in 2009, the number of countervailing investigations of G20 members initially declined in 2010. Following a downward trend in 2015 and 2016, the number of initiations increased again in 2017 and peaked in 2018 with 47 new investigations initiated (Chart 3.8).

Chart 3.8 Countervailing investigations initiated by G20 members, 2009-18



Source: WTO Secretariat.

3.34. Over the 24 months covered in this Section, a total of 45 countervailing measures were imposed by G20 members (Table 3.9). However, as it can take up to 18 months for a countervailing investigation to be concluded once initiated, these measures may not necessarily be the result of initiations in the same period.

Table 3.9 Number of countervailing measures imposed by G20 members

G20 member	Jan-June 2017	July-Dec 2017	Jan-June 2018	July-Dec 2018	2017	2018
Australia	2	1	0	0	3	0
Brazil	0	0	1	0	0	1
Canada	1	0	1	5	1	6
China	1	0	1	0	1	1
European Union	1	0	0	1	1	1
India	0	1	0	0	1	0
United States	9	2	13	5	11	18
Total	14	4	16	11	18	27

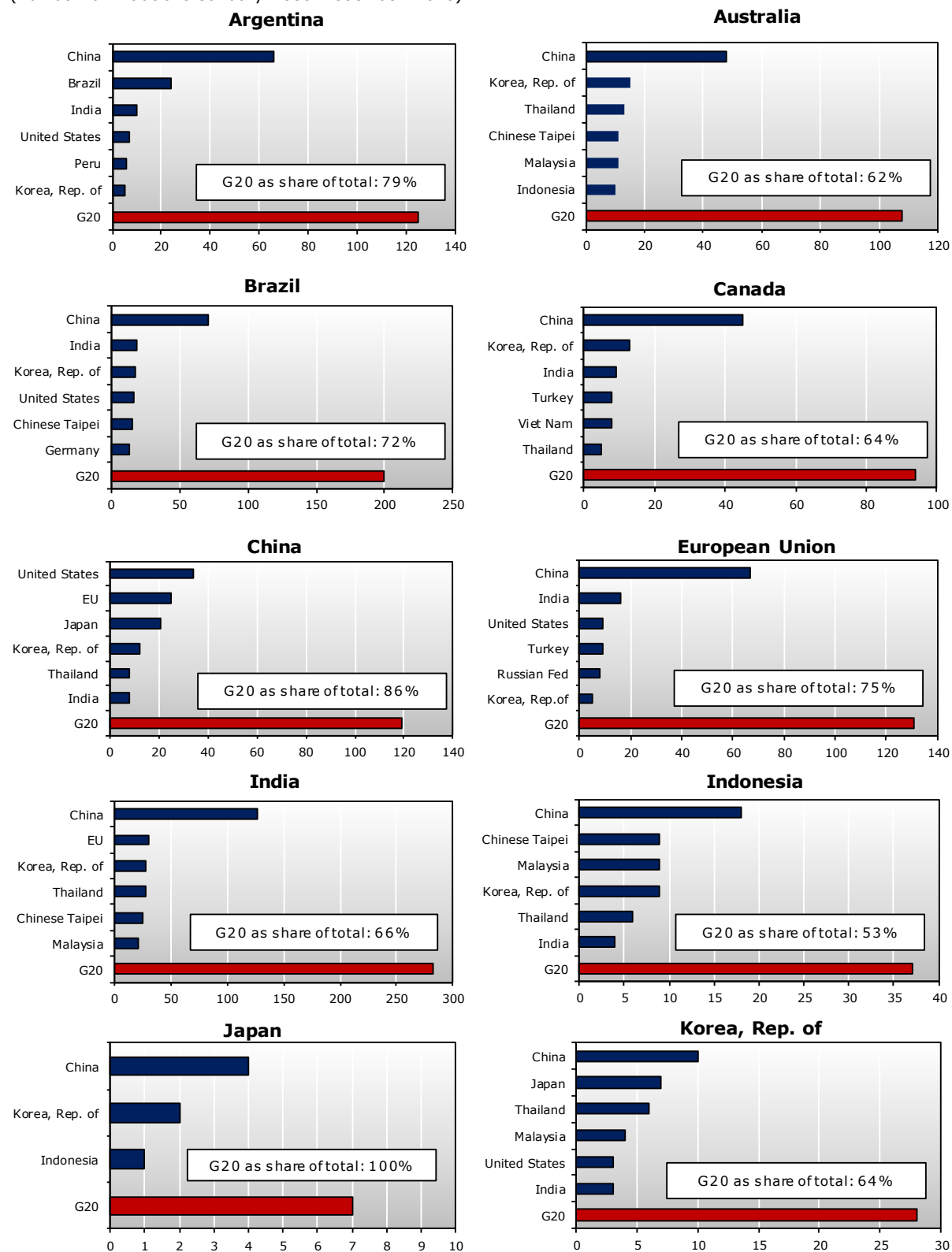
Source: WTO Secretariat.

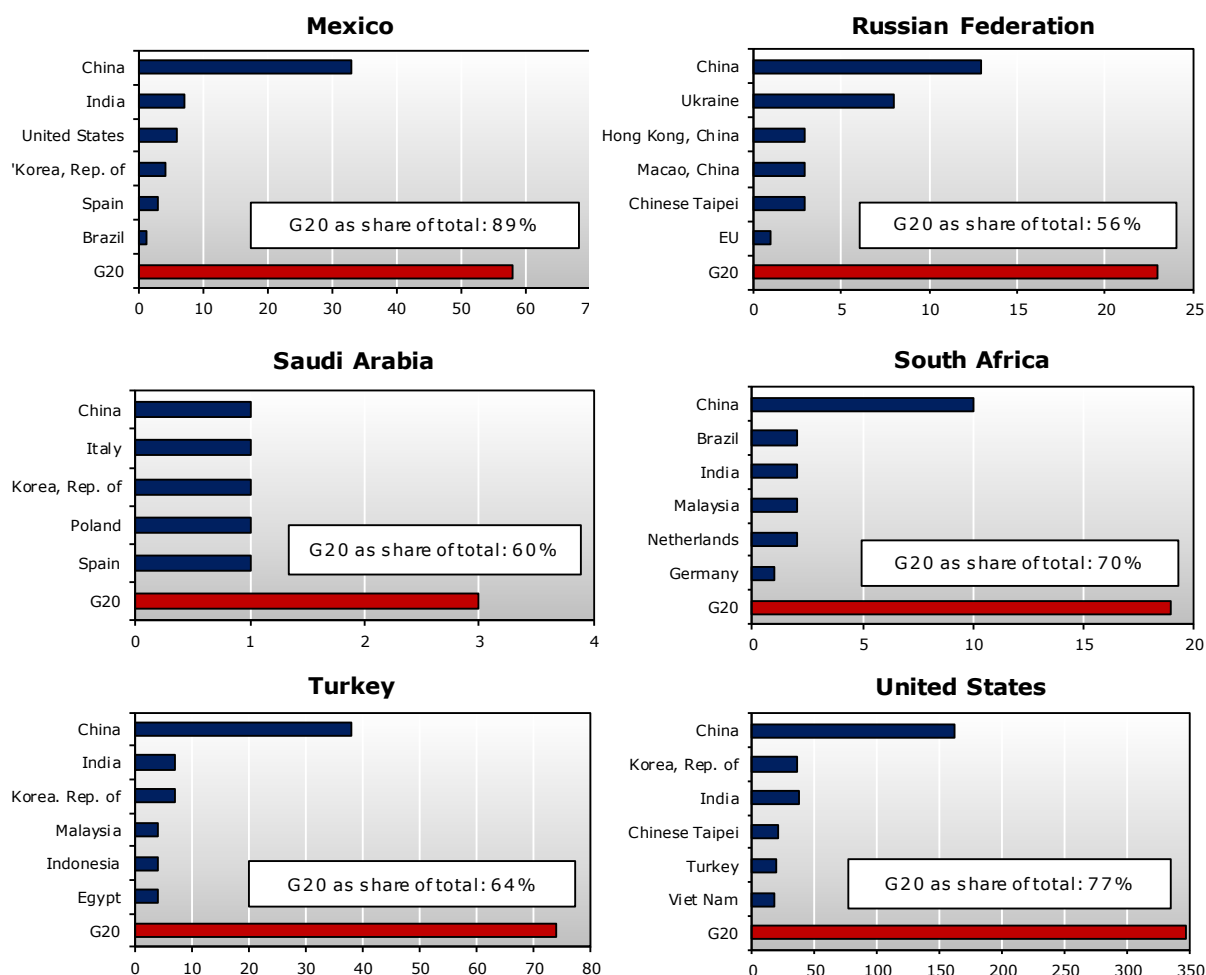
Anti-dumping and countervailing initiations by trading partner

3.35. Chart 3.9 shows the top six trading partners targeted by trade remedy initiations (excluding safeguards) reported by each G20 member between 2008 and 2018. China remained, by far, the exporter most affected by initiations reported during this period, accounting for one third of the reported initiations. The second most affected exporter during this period – the Republic of Korea – accounted for 7% of total initiations. The share of G20 initiations involving products from other G20 members accounted for approximately 71% of total initiations. In all reporting periods, initiations on products from other G20 members accounted for at least 53% of each individual G20 member's total initiations.

Chart 3.9 Anti-dumping and countervailing initiations, by trading partner, 2008-18

(Number of initiations January 2008-December 2018)





Note: Argentina; Indonesia; Japan; Korea, Republic of; and Saudi Arabia (at GCC level) initiated anti-dumping investigations only.

While initiations/measures could target the EU as a whole, it could also specifically target a particular EU member State.

Source: WTO Secretariat.

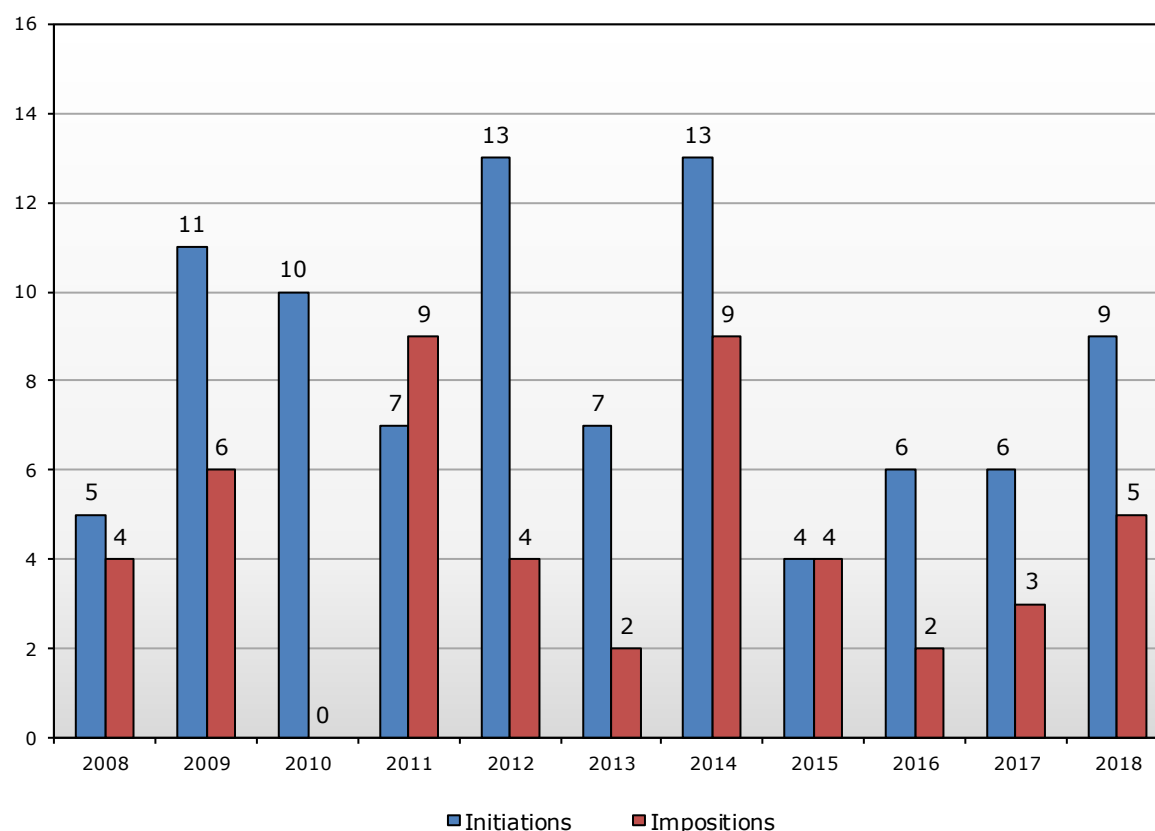
Safeguard Measures

3.36. Safeguard measures are temporary measures imposed in response to increased imports of goods that are causing serious injury; they are imposed on products from all sources, i.e. all exporting countries.¹⁷ Thus, safeguards 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.

3.37. Chart 3.10 shows the trend of initiations of safeguard investigations side by side with the trend of impositions by the G20 countries on a calendar-year basis. Since the low level recorded in 2015, the figure for initiations has increased. Similarly, impositions of safeguard measures have increased in 2018 compared to a low level recorded in 2016.

¹⁷ With the exception of special and differential treatment provided for developing countries in Article 9.1 of the Safeguards Agreement.

Chart 3.10 Initiations of safeguard investigations and safeguards impositions, 2008-18



Note: Some notifications are ambiguous about the timing when the measure takes effect. For those, Members sometimes subsequently file an additional notification clarifying, *ex post*, the timing of the taking effect. For this reason, the number of impositions indicated in past reports can differ from the figures indicated in the most recent report.

Source: WTO Secretariat.

Table 3.10 Initiations of safeguard investigations by G20 members

G20 member	Jan-June2017	July-Dec2017	Jan-June2018	July-Dec2018	2017	2018
Canada	0	0	0	1	0	1
European Union	0	0	1	0	0	1
India	0	1	0	0	1	0
Indonesia	0	0	1	1	0	2
Russian Federation ^a	0	0	0	1	0	1
Saudi Arabia, Kingdom of ^a	0	1	0	0	1	0
South Africa ^b	0	0	1	0	0	1
Turkey	2	0	2	1	2	3
United States	2	0	0	0	2	0
Total	4	2	5	4	6	9

a Notified by the Kingdom of Saudi Arabia, but investigations are initiated at the level of the Gulf Cooperation Council.

b Notified by South Africa, but investigations are initiated by the Southern African Customs Union (SACU) on behalf of all of its members collectively.

Source: WTO Secretariat.

3.38. Table 3.10 shows the number of initiations of safeguard investigations by G20 members in 2017 and 2018, and Table 3.11 shows the impositions of safeguard measures by G20 members during the same period. It is worth noting that the European Union and Canada initiated both safeguard investigations on certain steel products. These initiations have resulted in the imposition

of measures that do not feature in Table 3.11 below because they fall outside the reporting period. The European Union imposed its final measure on 2 February 2019, and Canada on 13 May 2019. The last time the European Union (then the European Communities) imposed a safeguard measure was in 2005. For Canada, it is the very first imposition of a safeguard measure.

Table 3.11 Impositions of safeguard measures by G20 members

G20 member	Jan-June2017	July-Dec2017	Jan-June2018	July-Dec2018	2017	2018
China	1	0	0	0	1	0
India	0	0	0	1	0	1
Indonesia	0	0	0	1	0	1
Saudi Arabia, Kingdom of ^a	0	0	1	0	0	1
South Africa ^b	0	1	0	0	1	0
Turkey	0	1	0	0	1	0
United States	0	0	2	0	0	2
Total	1	2	3	2	3	5

a Notified by the Kingdom of Saudi Arabia, but investigations are initiated at the level of the Gulf Cooperation Council.

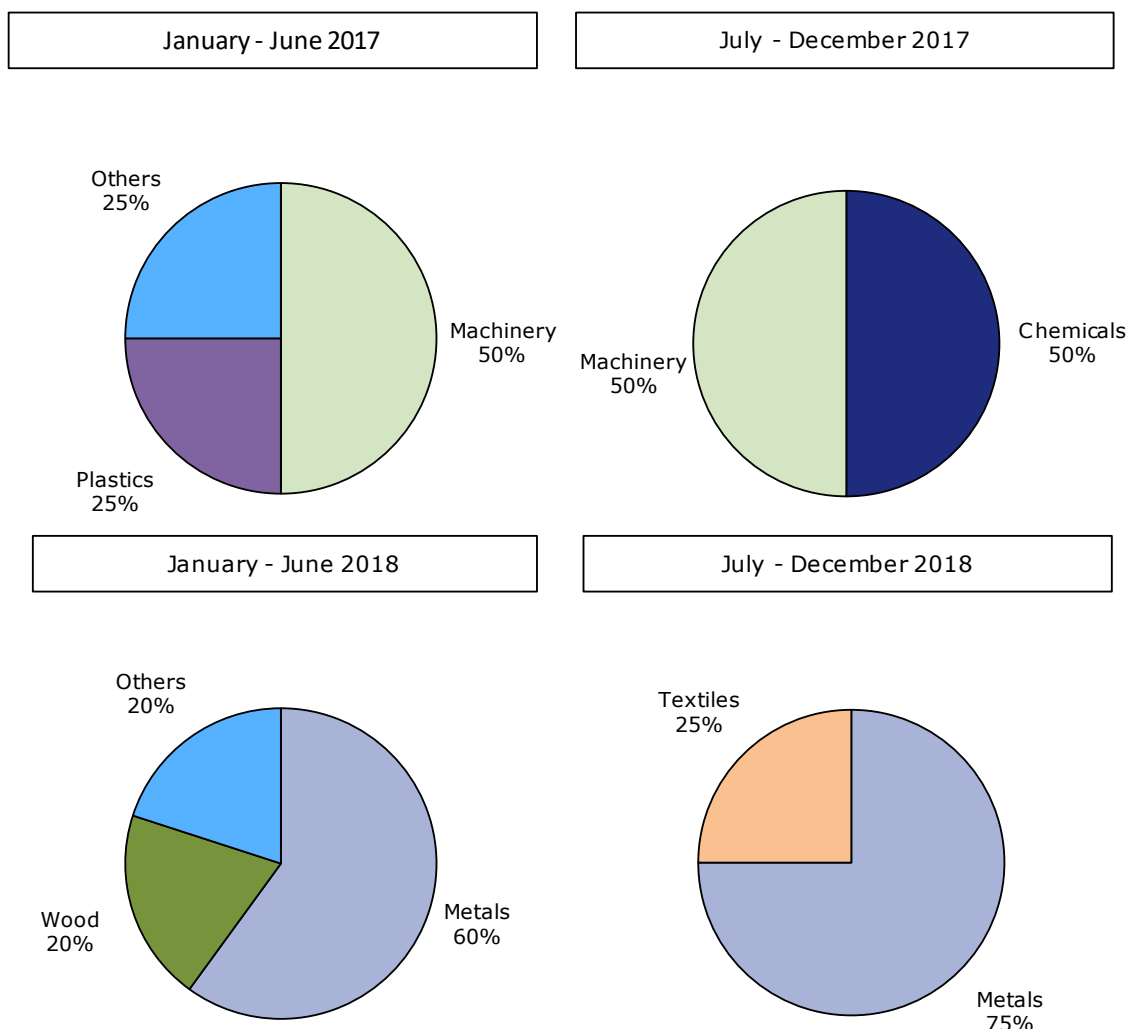
b Notified by South Africa, but investigations are initiated by SACU on behalf of all of its members collectively.

Note: Some notifications are ambiguous about the timing when the measure takes effect. For those, Members sometimes subsequently file an additional notification clarifying, *ex post*, the timing of the taking effect. For this reason, the number of impositions indicated in past reports can differ from the figures indicated in the most recent report.

Source: WTO Secretariat.

3.39. Chart 3.11 shows the products covered by safeguard investigations. While the number of investigations initiated in the metals sector (the vast majority of which involve steel products) dramatically decreased in 2017, the sector covered 75% of safeguard initiations during the period from July to December 2018.

Chart 3.11 Initiations of safeguard investigations, by product



Note: Values are rounded.

Source: WTO Secretariat.

3.3 Sanitary and Phytosanitary Measures (SPS)¹⁸

3.40. Under the SPS Agreement, WTO Members are obliged to provide advance notice of their intention to introduce new or modified SPS measures¹⁹, or to notify immediately when emergency measures are imposed. The main objective of complying with the SPS notification obligations is to inform other Members of new or changed regulations that may significantly affect trade. Therefore, an increased number of notifications does not automatically imply greater use of protectionist measures, but rather enhanced transparency regarding these measures.

¹⁸ Information presented in this Section was retrieved from the SPS Information Management System (SPS IMS: <http://spsims.wto.org>). For the SPS Section, the review period covers 1 October 2018 to 31 March 2019, and builds on the previous G20 Report, which covered notifications up until end-September 2018. Specific trade concerns (STCs) are only raised at SPS Committee meetings. The information in this Section summarizes the STCs raised at the 1-2 November 2018 and 21-22 March 2019 SPS Committee meetings.

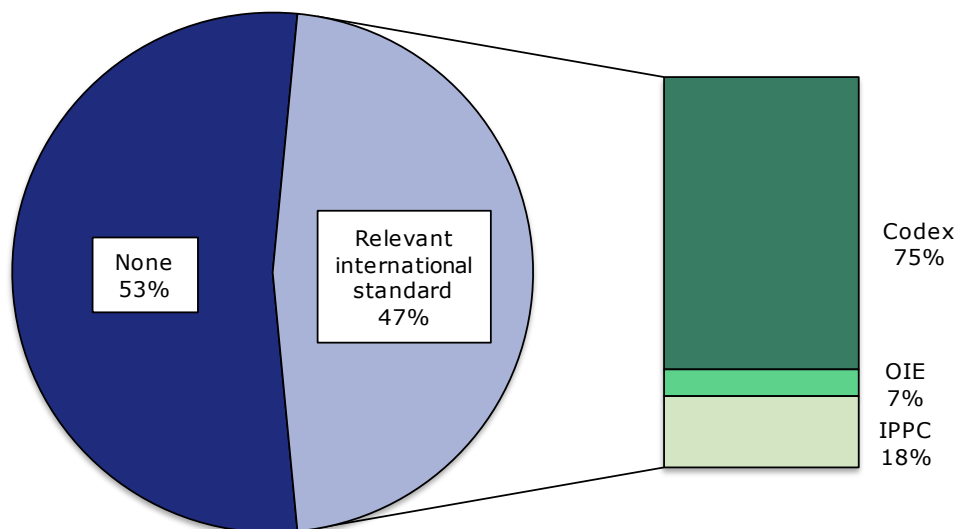
¹⁹ Transparency obligations are contained in Article 7 and Annex B of the SPS Agreement. Annex B requires that Members notify measures whose content is not substantially the same as that of an international standard, guideline or recommendation, and when the measure may have a significant effect on trade. However, the Recommended Procedures for Implementing the Transparency Provisions of the SPS Agreement, adopted by the SPS Committee in 2008, and updated in 2018 (G/SPS/7/Rev.4), recommend that Members also notify measures which are based on the relevant international standards, and provide a broad interpretation of effects on trade.

3.41. G20 economies rank amongst the main "notifiers" of SPS measures, accounting for 66% of total regular notifications (including addenda), and 34% of emergency notifications (including addenda), submitted to the WTO from 1 January 1995 until 31 March 2019.

3.42. For the period 1 October 2018 to 31 March 2019, Brazil and Canada were the G20 economies that submitted the most notifications to the WTO, accounting for around 37% of notifications submitted by G20 economies in that period.

3.43. Many G20 economies follow the recommendation to notify SPS measures even when these are based on a relevant international standard. This substantially increases transparency regarding SPS measures. Of the 310 regular notifications (excluding addenda) made by G20 economies from 1 October 2018 to 31 March 2019, 47% indicated that an international standard, guideline or recommendation was relevant to the notified measure (of which, 75% had referred to Codex, 18% to IPPC, and 7% to OIE) (Chart 3.12). Furthermore, the notification formats include an entry asking whether the notified regulation conforms to the relevant international standard. Of the notifications that identified a relevant international standard, 55% indicated that the measure was in conformity with the existing international standard, guideline or recommendation. The 45% of notifications, which did not indicate that the measure was in conformity with the existing international standard identified Codex as the relevant international standard-setting body. Regarding emergency notifications for the same period, 89% of those that were notified by G20 economies indicated that an international standard, guideline or recommendation was relevant to the notified measure. All but two (88%) indicated that the measure was in conformity with the existing international standard, guideline, or recommendation.

Chart 3.12 Regular SPS notifications and international standards



Note: Codex Alimentarius (Codex), World Organisation for Animal Health (OIE) and International Plant Protection Convention (IPPC).

Source: WTO Secretariat.

3.44. The objective most frequently identified in the SPS measures notified by G20 economies during the review period is food safety, accounting for 69% of the notifications.²⁰ Food safety is a particularly frequent objective in G20 notifications, as the vast majority of notified measures are related to Maximum Residue Limits (MRLs) and pesticides. In many notifications, both keywords were identified.

3.45. While there is no formal provision for "counter notification", concerns regarding the failure to notify an SPS measure, or on a notified SPS measure, can be raised as a Specific Trade Concern

²⁰ 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) protection of humans from animal/plant pest or disease; and (v) protection of 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.

(STC) at any of the three regular meetings of the SPS Committee each year. Measures maintained by G20 economies are often discussed in the SPS Committee. The top ten WTO Members in terms of complaints about measures they maintain are all G20 economies. The STCs raised in the SPS Committee on the basis of measures maintained by G20 economies account for 73% of all STCs raised to date.

3.46. Some 26 out of the 30 STCs raised or discussed in the SPS Committee meetings of 1-2 November 2018 and 21-22 March 2019 related to measures maintained by G20 economies. Seven were raised for the first time (Table 3.12), while 19 had been discussed in previous Committee meetings. Of these, six addressed persistent problems that have been discussed at least seven times, including three STCs which have been discussed 11, 13 and 35 times (Table 3.13). Two STCs raised for the first time in November 2018 were discussed again in March 2019.²¹

Table 3.12 New STCs raised in the November 2018 and March 2019 SPS Committee meetings

STC	Document title	Members maintaining the measure	Members raising the concern	Members supporting the concern	Date raised	Primary objective
448	EU MRLs for buprofezin, diflubenzuron, ethoxysulfuron, ioxynil, molinate, picoxystrobin and tepraloxym (G/SPS/N/EU/264)	European Union	Colombia; India	Argentina; Brazil; Canada; Chile; Costa Rica; Ecuador; Guatemala; Honduras; Nicaragua; Panama; Paraguay; Peru; Turkey; United States	01/11/2018	Food Safety
449	Russian Federation's bluetongue-related import restriction on ruminants	Russian Federation	European Union		01/11/2018	Animal Health
452	European Court of Justice Opinion 528/16 on organisms obtained by mutagenesis	European Union	United States	Argentina; Paraguay	01/11/2018	Other Concerns
453	EU restrictions on the use of chlorothalonil (pesticide active substance) (G/TBT/N/EU/625)	European Union	Colombia	Bolivia, Plurinational State of; Brazil; Chile; Costa Rica; Ecuador; Guatemala; Honduras; Panama; Paraguay; Turkey; United States	21/03/2019	Food Safety
454	EU transitional periods for MRLs and international consultations	European Union	Colombia	Brazil; Chile; China; Costa Rica; Ecuador; Guatemala; Honduras; Panama; Paraguay; Peru; Turkey; United States	21/03/2019	Food Safety
455	Indonesia's undue delay in authorization procedures for beef	Indonesia	Brazil	Philippines	21/03/2019	Food Safety
456	Republic of Korea's import restrictions on poultry due to Highly Pathogenic Avian Influenza	Korea, Republic of	European Union	Russian Federation	21/03/2019	Animal Health

Source: WTO Secretariat.

²¹ These were STC 448 and STC 449.

Table 3.13 Previously-raised STCs discussed in the November 2018 and/or March 2019 SPS Committee meetings

STC	Document title	Members maintaining the measure	Members raising the concern	Members supporting the concern	First date raised	Primary objective	Times subsequently raised
193	General import restrictions due to Bovine Spongiform Encephalopathy (BSE)	Certain Members	European Union; United States	Canada; Switzerland; Uruguay	01/06/2004	Animal Health	35
344	Measures on shrimp	Brazil	Ecuador		18/10/2012	Animal Health	6
382	European Union revised proposal for categorization of compounds as endocrine disruptors	European Union	Argentina; China; India; United States	Argentina; Australia; Benin; Brazil; Burkina Faso; Burundi; Canada; Central African Republic; Chile; China; Colombia; Costa Rica; Dominican Republic; Ecuador; Egypt; El Salvador; The Gambia; Ghana; Guatemala; Guinea; Honduras; India; Indonesia; Jamaica; Kenya; Korea, Republic of; Madagascar; Malaysia; Mexico; New Zealand; Nigeria; Pakistan; Panama; Paraguay; Peru; Philippines; Senegal; Sierra Leone; South Africa; Chinese Taipei; Thailand; Togo; Uruguay; Viet Nam; Zambia	25/03/2014	Food Safety	13
390	Russian Federation's import restrictions on processed fishery products from Estonia and Latvia	Russian Federation	European Union		15/07/2015	Food Safety	11
395	China's proposed amendments to the implementation regulations on safety assessment of agricultural GMOs	China	Paraguay; United States		15/07/2015	Food Safety	8
406	China's import restrictions due to Highly Pathogenic Avian Influenza	China	European Union; United States		16/03/2016	Animal Health	8
411	Russian Federation import restrictions on certain animal products from Germany	Russian Federation	European Union		30/06/2016	Food Safety	7
414	Indonesia's food safety measures affecting horticultural products and animal products	Indonesia	Philippines		27/10/2016	Food Safety	1

STC	Document title	Members maintaining the measure	Members raising the concern	Members supporting the concern	First date raised	Primary objective	Times subsequently raised
427	India's fumigation requirements for cashew nuts	India	Madagascar; Senegal	Burkina Faso; Colombia; Ghana; Kenya; Mali; Mozambique; Nigeria; Russian Federation; Togo; Ukraine; United States	13/07/2017	Plant Health	3
430	EU maximum level of cadmium in foodstuffs	European Union	Colombia; Côte d'Ivoire; Ecuador; Madagascar; Peru	Bolivia, Plurinational State of; Brazil; Costa Rica; Dominican Republic; El Salvador; Ghana; Guatemala; Indonesia; Nicaragua; Nigeria; Panama; Trinidad and Tobago; United States	02/11/2017	Food Safety	3
431	South Africa's import restrictions on poultry due to Highly Pathogenic Avian Influenza	South Africa	European Union		02/11/2017	Animal Health	4
432	EU restrictions on poultry meat due to Salmonella detection	European Union	Brazil		02/11/2017	Food Safety	3
439	US import restrictions on apples and pears	United States	European Union		01/03/2018	Plant Health	3
441	Lack of transparency and undue delays in Indonesia's approval procedures for animal products	Indonesia	European Union	Brazil	12/07/2018	Other Concerns	2
442	EU Commission Decision 2002/994/EC on animal products	European Union	China		12/07/2018	Food Safety	2
446	EU review of legislation on veterinary medicinal products	European Union	Argentina; United States	Australia; Brazil; Canada; Chile; Colombia; Paraguay	12/07/2018	Food Safety	2
447	New EU definition of the fungicide folpet	European Union	China		12/07/2018	Food Safety	2
448	EU MRLs for buprofezin, diflubenzuron, ethoxysulfuron, ioxynil, molinate, picoxystrobin and tepraloxym (G/SPS/N/EU/264)	European Union	Colombia; India	Argentina; Brazil; Canada; Chile; Costa Rica; Ecuador; Guatemala; Honduras; Nicaragua; Panama; Paraguay; Peru; Turkey; United States	01/11/2018	Food Safety	1
449	Russian Federation's bluetongue-related import restriction on ruminants	Russian Federation	European Union		01/11/2018	Animal Health	1

Source: WTO Secretariat.

3.47. Out of the 26 STCs discussed in the reviewed period, 15 were raised due to measures implemented by G20 economies on food safety, 7 on animal health, 1 on plant health, and 2 related to other types of concerns (i.e. control, inspection, and approval procedures).

Box 3.3 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. The WTO helps address this potential trade barrier through a combination of transparency requirements included in the SPS and TBT Agreements and online tools that make information easily accessible: the SPS and TBT Information Management Systems (SPS/TBT IMSs) and ePing.

WTO Members are required to notify proposed SPS and TBT measures if they may significantly affect international trade. Each year, the WTO receives more than 3,500 such notifications.

Publicly-available online tools assist stakeholders in finding notifications of relevance to their trade:

- SPS IMS www.spsims.wto.org,
- TBT IMS www.tbtdims.wto.org, and
- ePing www.epingalert.org.

The SPS/TBT IMSs are search-platforms that, among other things, help identify SPS or TBT notifications by using parameters such as product, notifying Member or objective. The ePing is an online alert system allowing users (governments, economic operators, and civil society) to receive daily or weekly email alerts about SPS and TBT notifications covering products and markets of interest to them.

Timely access to notifications is crucial, given the 60-day period that should normally be provided for submitting comments on regulations, usually still in draft form. The ePing platform 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.

3.4 Technical Barriers to Trade (TBT)²²

3.48. The G20 economies are the most frequent users of the TBT Committee's transparency mechanisms. Together, they have submitted around 42% of all TBT notifications since 1995.²³

3.49. 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.²⁴ As a result, an increased number of notifications does not necessarily imply greater use of trade-restrictive measures. Rather, TBT notification obligations are meant to promote enhanced transparency regarding measures taken to address legitimate policy objectives, e.g. the protection of human, animal or plant life or health, or the environment.²⁵

3.50. From 1 October 2018 to 30 April 2019, G20 economies submitted 349 new regular notifications of TBT measures²⁶ out of 1,250 by all WTO Members (almost 28%). The top-five notifying G20 economies – covering around 62% of all G20 notifications – were the United States (64); the European Union (57)²⁷; Korea, Republic of (38); China (31); and Turkey (25). Of these 349 new regular notifications, the majority indicated as their main

²² For the TBT Section, the review period covers 1 October 2018 to 30 April 2019.

²³ Since 1995, over 26,695 new (regular) notifications of TBT measures have been submitted by WTO Members, around 11,212 (42%) of which were by G20 economies. Overall, around 34,766 new (regular) and follow-up (revisions, addenda, etc.) notifications of TBT measures have been submitted by WTO Members since 1995, around 16,081 (46%) of which were notified by G20 economies.

²⁴ Under the TBT Agreement, WTO Members are not *required* to notify *all* proposed TBT measures (technical regulations or conformity assessment procedures). Rather, as a minimum, they are only required to notify those measures that may have a *significant effect on trade* of other Members and are *not in accordance with* a relevant international standard (in the case of technical regulations), or relevant guidelines or recommendations issued by international standardizing bodies (in the case of conformity assessment procedures). However, the TBT Committee, in its Sixth Triennial Review, encouraged Members, "for the purpose of enhancing predictability and transparency in situations where it is difficult to establish or foresee whether a draft technical regulation or conformity assessment procedure may have a 'significant effect on trade of other Members', to notify such measures." This recommendation was reiterated by the TBT Committee in its Eighth, and last, Triennial Review (November 2018).

²⁵ TBT Agreement obligations are also subject to 25 separate Special and Differential Treatment (S&D) provisions, conferring developing country Members, and LDC Members in particular, with certain flexibilities. The TBT Agreement contains more S&D provisions than any other WTO agreement apart from the GATT 1994.

²⁶ Viewed at: <http://tbtdims.wto.org>.

²⁷ Fifty-two EU-wide regular notifications plus five notifications from certain individual EU member States: France (2), Germany (1), Italy (1), and the United Kingdom (1).

objectives²⁸ the protection of human health or safety and the protection of the environment. The remaining notifications related to consumer information, labelling, prevention of deceptive practices and consumer protection, and quality requirements.

3.51. G20 economies notified 230 (about 37%) "follow-up notifications"²⁹ out of 629 submitted by all WTO Members during the review period. The continuing and frequent use of this type of notification is a positive development, as it increases transparency and predictability across the measures' regulatory lifecycle.

3.52. The TBT Committee is used as a forum for discussing trade issues related to specific measures (technical regulations, standards or conformity assessment procedures) maintained by WTO Members. These STCs normally relate to proposed draft measures notified to the TBT Committee or to the implementation of existing measures. Issues can range from simple requests for additional information and clarification to questions on the consistency of measures with TBT Agreement disciplines. Since 1995, Members have raised 581 *new* STCs.

3.53. A total of 121 (19 *new* and 102 *previously-raised*) STCs were discussed during the two Committee meetings that fell within the review period, i.e. 62 STCs (8 *new* and 54 *previously-raised*) were discussed at the November 2018 meeting and 59 (11 *new* and 48 *previously-raised*) at the March 2019 meeting. As depicted in Table 3.14, more than half (11 out of 19) of the *new* STCs discussed in the period concerned measures maintained by G20 economies.

Table 3.14 New STCs concerning G20 country measures raised in the TBT Committee meetings of 14-15 November 2018 and 6-7 March 2019

New STCs – G20 country measures
European Union: Regulation of the European Parliament and of the Council laying down rules and procedures for compliance with, and enforcement of, Union harmonization legislation on products, and amending relevant regulations (ID 565) (<i>raised by China and Canada</i>)
Russian Federation: Federal Law No 487-FZ, providing a framework for the comprehensive use of special labelling and traceability of goods, and Decision No. 792-r specifying the goods to which labelling will apply and the dates of introduction of mandatory labelling (ID 567) (<i>raised by European Union</i>)
Brazil: Technical Regulation 14, 8 February 2018, to set the additional official identity, quality standards for wine and derivatives of grape and wine products as well as the requirements to be acquainted and Technical Regulation No. 48, 31 August 2018, published in the Official Gazette on 10 September 2018 (ID 568) (<i>raised by European Union</i>)
Kingdom of Bahrain, State of Kuwait, Qatar, Kingdom of Saudi Arabia, Oman, United Arab Emirates, Yemen: GCC Technical Regulations for the Restriction of the use of certain Hazardous Substances in electrical and electronic equipment (572) (<i>raised by European Union and United States</i>)
European Union: Draft Commission Regulation laying down eco-design requirements for electronic displays pursuant to Directive 2009/125/EC of the European Parliament and of the Council, amending Commission Regulation (EC) No 1275/2008 and repealing Commission Regulation (EC) 642/2009 (and its accompanying annexes) (ID 575) (<i>raised by China, United States and Japan</i>)
China: Draft Cosmetics Supervision and Administration Regulation (ID 576) (<i>raised by Japan, Republic of Korea, United States and European Union</i>)
Republic of Korea: Warning statement and graphic health warnings on alcoholic beverages (ID 577) (<i>raised by United States</i>)
European Union: Chlorothalonil (pesticide active substance) (ID 579) (<i>raised by Colombia, Guatemala, United States, Brazil, Panama, Paraguay, Ecuador, Canada, Costa Rica and Honduras</i>)
European Union: Transitional periods for MRLs and international consultations (ID 580) (<i>raised by Colombia, Guatemala, United States, Brazil, Panama, Paraguay, Ecuador and Costa Rica</i>)
Republic of Korea: Regulation on Energy Efficiency Management Equipment (ID 582) (<i>raised by China</i>)
Kingdom of Saudi Arabia: Technical Regulation for plastic products OXO – biodegradable (ID 583) (<i>raised by European Union and United States</i>)

Source: WTO Secretariat.

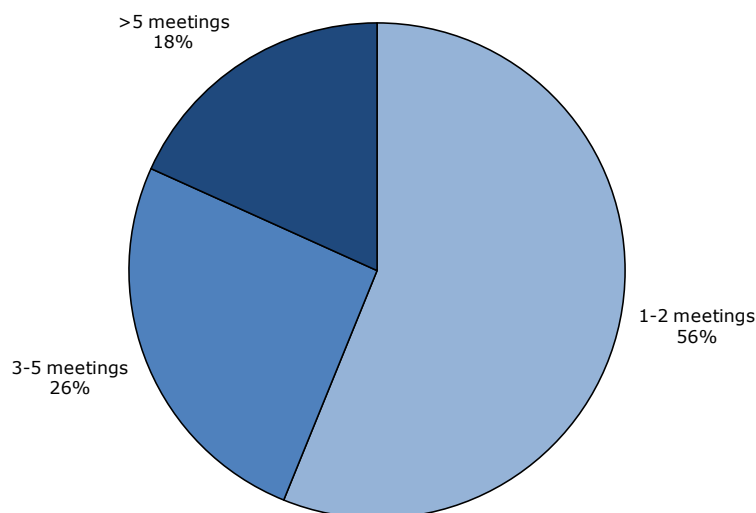
²⁸ A TBT measure may pursue a variety of legitimate objectives, although historically the majority falls under one of the following categories: the protection of human, animal or plant life or health, or the environment. Members are required to identify the purpose of the measure in their notifications. It is not uncommon that more than one objective is identified for a measure.

²⁹ Follow-up notifications are called "addenda", "corrigenda", or "supplements". They can also be in the form of "revisions" when the original measure has been substantially re-drafted prior to adoption or entry into force. A revision replaces the original notification. They are linked to the original notification of a measure, and include additional pertinent information, such as the extension of a notification comment period (addenda), the withdrawal or revocation of a measure (addenda), or when a measure is substantially redrafted prior to adoption or entry into force (revision), or when the adopted final text of a measure becomes available (addenda). See G/TBT/35 for further information on the different types of TBT notifications.

3.54. The number of times that an STC is raised may be related to the importance attached to the concern by one or more WTO Members, or may provide insight into whether progress was made in addressing concerns. STCs which are raised at only one or two meetings may represent concerns for which progress was made. On the other hand, longstanding STCs raised at five or more meetings may represent concerns for which less or no progress has been made. STCs frequently discussed at subsequent meetings as previously-raised STCs, in particular long-standing ("persistent") ones, generally involve more serious and/or complex concerns. From 1995 to 2018, the majority of STCs (56%) were raised at one or two Committee meetings, while 26% were raised three to five times. Around 18% of STCs were raised more than five times (Chart 3.13).

Chart 3.13 STCs raised in the TBT Committee, 1995-2018

(number of times)



Source: WTO Secretariat. Twenty-Fourth Annual Review of the Implementation and Operation of the TBT Agreement, G/TBT/42 (25 February 2019), Chart 30.

3.55. During the two Committee meetings covered by the review period, eight "persistent" STCs, raised more than 16 times in Committee meetings, were discussed (Table 3.15). All concerned measures maintained by G20 economies.

Table 3.15 "Persistent" STCs raised between 1 October 2018 and 30 April 2019

Persistent STCs
India: New Telecommunications-related Rules (Department of Telecommunications, No. 842-725/2005-VAS/Vol.III (3 December 2009); No. 10-15/2009-AS-III/193 (18 March 2010); and Nos. 10-15/2009-AS.III/Vol.II/(Pt.)/(25-29) (28 July 2010); Department of Telecommunications, No. 10-15/2009-AS.III/Vol.II/(Pt.)/(30) (28 July 2010) and accompanying template, "Security and Business Continuity Agreement") (ID 274) – raised <u>24 times</u> since 2010
China: Provisions for the Administration of Cosmetics Application Acceptance (ID 296) – raised <u>24 times</u> since 2011
China: Requirements for information security products, including, <i>inter alia</i> , the Office of State Commercial Cryptography Administration (OSCCA) 1999 Regulation on commercial encryption products and its ongoing revision and the Multi-Level Protection Scheme (MLPS) (ID 294) – raised <u>23 times</u> since 2011
Korea, Republic of: Regulation on Registration and Evaluation of Chemical Material (ID 305) – raised <u>20 times</u> since 2011
Indonesia: Technical Guidelines for the Implementation of the Adoption and Supervision of Indonesian National Standards for Obligatory Toy Safety (ID 328) – raised <u>20 times</u> since 2011
Russian Federation: Draft Technical Regulation on Alcohol Drinks Safety (published on 24 October 2011) (ID 332) – raised <u>20 times</u> since 2012
European Union: 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>18 times</u> since 2012
India: India – Electronics and Information Technology Goods (Requirements for Compulsory Registration) Order, 2012 (ID 367) – raised <u>17 times</u> since 2013

Source: WTO Secretariat.

3.56. Various new and previously-raised STCs discussed during the review period involved regulations on labelling requirements of various products, including labelling of packaged food, alcoholic beverages, cosmetics, food products, milk products, and chemical substances. Box 3.4 takes a closer look at these types of measures as notified to, and discussed in, the TBT Committee over the years.

Box 3.4 Labelling requirements and the TBT Agreement

In addition to technical regulations and standards regulating the content of products, or the way they are produced, the TBT Agreement also covers measures addressing terminology, symbols, packaging, marking or labelling of products ("labelling requirements"). The preamble of the TBT Agreement states that WTO Members agree to "ensure that technical regulations and standards, including ... labelling requirements, ... do not create unnecessary obstacles to international trade".^a

Labelling requirements are increasingly common^b and, since most goods placed on the market are subject to labelling, this type of measure affects a large portion of global trade. In fact, around 25% of all measures **notified** to the TBT Committee since 1995 deal exclusively, or partially, with labelling requirements. Labelling requirements can be specified in a wide variety of ways. For example, they have been understood as including any "measures regulating the kind, colour and size of printing on packages and labels and defining the information that should be provided to the consumer. Labelling is any written, electronic, or graphic communication on the packaging or on a separate but associated label, or on the product itself. It may include requirements on the official language to be used as well as technical information on the product, such as voltage, components, instruction on use, safety, and security advice."^c Although labelling requirements are sometimes viewed as less trade-restrictive alternatives to other more stringent forms of regulatory interventions (fully prohibiting products with a certain characteristic, for instance), they may sometimes nonetheless have a significant impact on trade, depending on their content, scope or nature.

Mindful of the growing importance of labelling requirements, WTO Members recently decided that the TBT Committee's 2019-21 work plan should include:

- holding a discussion on how to facilitate compliance with mandatory marking and labelling requirements on products, and
- considering the need for further work in the Committee on this topic, including on a sectoral basis, as appropriate.^d

Labelling is among the most frequently-discussed issue in the TBT Committee in the context of **STCs**. Around 50% of all of the 581 new STCs raised in the Committee since 1995 involve measures dealing exclusively, or partially, with labelling requirements.

The labelling-related measures discussed in the Committee covered and addressed a wide variety of products and issues. In terms of their coverage, products affected included: different types of *foods* (e.g. pasta, palm oil, milk, tuna, meat, GM soya, maize); *alcoholic and non-alcoholic beverages* (e.g. wine, beer, spirits, coffee, fruit juices); *tobacco products* (e.g. cigarettes, cigars); *cosmetics* (children's bathroom products, shampoos, conditioners, eye pencils, blushes, lipsticks, hair colourants); *appliances* (e.g. domestic gas cooking appliances, steel and rubber hoses for gas stoves, plastic trays, dishwashers); *electronics* (e.g. cell phones, handheld and tablet computers); *clothing and textiles* (e.g. leather, footwear products, worn clothing, rags, knitted or crocheted wearing apparel); and *vehicles and vehicle-related products* (tyres, brake linings for automobiles, engines, transmission parts). In terms of their stated legitimate objectives, these measures addressed, among others: the protection of *human health or safety* (e.g. nutrition or promoting healthy eating among children and adolescents); the protection of the *environment* (e.g. recyclable products' common logo to simplify waste sorting; the promotion of efficient and effective water-use and water-saving technologies); and *consumer information and protection* (e.g. information on water-saving products, labelling on products without expiration date). Additionally, the problems or issues more commonly mentioned by WTO Members raising such labelling-related concerns included: the need for further information or clarification on aspects of the measure; the use (or non-use) of international standards; uncertainty with respect to the rationale or legitimacy of the measure; the creation of unnecessary barriers to trade; the discriminatory nature of the measure; insufficient time to adapt to the new requirements (i.e. "reasonable interval" between the adoption and entry into effect of the measure); and transparency (e.g. measure not notified to the Committee).^e

Finally, TBT measures containing labelling requirements also feature prominently in formal WTO **disputes**. Since 1995, there have been eight key TBT disputes – i.e. disputes that proceeded beyond consultations^f and resulted in Panel and Appellate Body reports with findings mostly or significantly based on the TBT Agreement. Half of these concerned labelling measures: *EC – Sardines*; *US – Tuna II*; *US – COOL*; and *Australia – Tobacco Plain Packaging*. More broadly, 17 of the 54 formal consultation requests lodged in the WTO since 1995 containing at least one TBT claim (most of which never proceeded beyond this initial phase of the WTO dispute settlement procedures) concerned labelling measures.^g

a https://www.wto.org/english/docs_e/legal_e/17-tbt_e.htm.

b Twenty-Fourth Annual Review of the Implementation and Operation of the TBT Agreement, G/TBT/42 (25 February 2019), para. 3.16; Chart 17.

c International Classification of Non-Tariff Measures (ICNTM) – 2019 (unedited) version (UNCTAD) https://unctad.org/meetings/en/SessionalDocuments/ditc_tab_NTM_Week_INTERIM_2019_en.pdf.

d Eighth Triennial Review of the Operation and Implementation of the TBT Agreement, G/TBT/41 (19 November 2018), para. 3.2(a).

e See <http://tbtrims.wto.org/>.

f According to WTO dispute settlement procedures, the first step for lodging a dispute is for the complaining Member to request and hold "consultations" with the Member (the "respondent") whose measure is being challenged. If consultations do not result in an amicable solution, the dispute can then proceed to the panel – and more litigious phase.

g Including consultation requests for the four key TBT disputes already mentioned above. More information on WTO disputes can be found at: https://www.wto.org/english/tratop_e/dispu_e/dispu_e.htm.

Source: WTO Secretariat.

3.57. The following Box on non-tariff measures (NTMs) and trade was contributed by the OECD.

Box 3.5 NTMs and trade

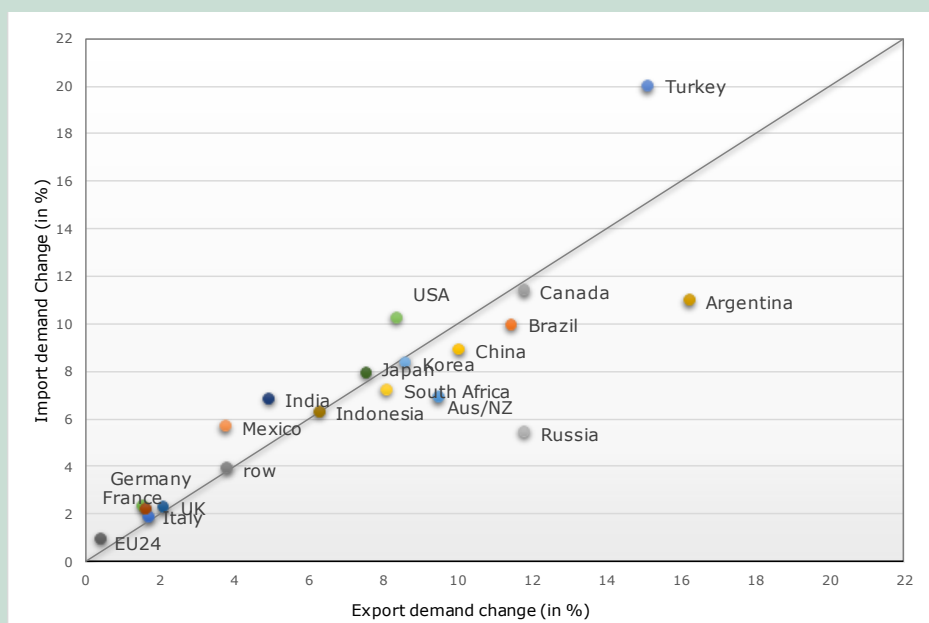
The term "non-tariff measures" (NTMs) covers a diverse set of policies in terms of purpose, legal form and economic effect. They comprise all policy measures other than tariffs and tariff-rate quotas that have a more or less direct effect on the price of traded products, the quantity of traded products, or both. Generally, NTMs stem from domestic regulations that aim to overcome or reduce the impacts of market imperfections, such as those related to negative externalities, information asymmetries, and risks for human, animal or plant health. They also tend to increase production and trade costs and can influence, positively or negatively, the development of new technologies or production methods.

Recent OECD efforts to estimate the costs of NTMs using *ad valorem* equivalents (AVEs) show that for most economies, current NTM levels are more than twice that of tariffs. Thus, international trade in goods and services can be strongly affected by NTMs. However, unlike tariffs, NTMs can have both positive and negative effects on trade: for example, compulsory labelling to address information asymmetries can increase the costs to businesses, but also provide a signal of quality, strengthening consumer confidence in foreign products. In this way, NTMs can be trade-creating.

As NTMs serve important policy objectives, and can be trade-creating, the aim is not for governments simply to eliminate them as they would tariffs. That said, there is scope to lower the costs associated with NTMs for traders, while still allowing governments to meet their objectives. A growing body of evidence, including recent estimates by the OECD, suggests that reducing regulatory heterogeneity reduces these trade costs (OECD, 2017, Cadot et al., 2018).^a That is, the greater the regulatory distance between trading partners, the larger the trade costs (AVEs) associated with NTMs, while greater regulatory similarity reduces these costs (Cadot et al., 2018). There is thus scope to reduce unnecessary trade costs associated with NTMs by reducing regulatory differences, including through use of international standards and various avenues for international regulatory cooperation.

Analysis using the OECD's METRO model shows that, if the unnecessary trade costs associated with NTMs for all G20 members were reduced to the lowest level among G20 members, both imports and exports would increase significantly (an average increase across the G20 of over 5.5%, with individual countries benefitting more). The reduction in trade costs from NTMs also contributes to expansions in domestic production as high as 3%, and increases in household consumption of almost 1.5%, leading to an increase in household income across G20 economies of over USD 455 billion.

Figure 1 Change in trade from NTM reduction



Source: OECD.

The reduction in unnecessary trade costs associated with NTMs can lead to significant economic gains (Figure 1). By taking account of international market effects in designing regulation, and using international regulatory cooperation, it is possible to reduce some of the trade costs due to regulatory divergence, without constraining governments' rights to regulate in pursuit of legitimate domestic policy objectives.

a Cadot, O., Gourdon, J., van Tongeren, F. (2018), *Estimating Ad Valorem Equivalents of Non-Tariff Measures: Combining Price-Based and Quantity-Based Approaches*, OECD Trade Policy Papers, No. 215. Viewed at: <https://doi.org/10.1787/f3cd5bdc-en>.

Source: OECD (2017), *International Regulatory Co-operation and Trade: Understanding the Trade Costs of Regulatory Divergence and the Remedies*, OECD Publishing, Paris. <http://dx.doi.org/10.1787/9789264275942-en>.

3.5 Trade Concerns Raised in Other WTO Bodies³⁰

3.58. A number of trade concerns raised in formal meetings by WTO Members involved G20 members. This Section provides a factual overview of such concerns raised between mid-October 2018 and mid-May 2019. 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 interesting and 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 provides a reference to the formal meeting(s) where a particular issue featured. A full account and context of the concerns is provided in the 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.³¹

3.59. At the 7 May 2019 meeting of the *General Council*³² concerns were raised on: (i) the EU safeguard measures on Indica rice from Cambodia (raised by Cambodia); (ii) China's SPS agriculture issues, including Canola trade (raised by Canada); and (iii) Brazil's trade-restrictive measures and its market access for Ecuador's bananas (raised by Ecuador).

3.60. At the meeting of the *Council for Trade in Goods* (CTG) on 12 and 13 November 2018³³, new concerns were raised on (i) the EU renegotiation of tariff-rate quota commitments in response to Brexit (raised by Argentina, Australia, Brazil, Canada, China, Japan, Mexico, New Zealand, Chinese Taipei, Thailand, United States, and Uruguay); (ii) the EU enlargement to include Croatia (raised by Russian Federation); (iii) the US export restrictions on a certain enterprise of China (raised by China); (iv) the EU draft implementing regulations regarding protected designations of origin and geographical indications, traditional terms, labelling and presentation of certain wine products (raised by Argentina and United States); and (v) Australia's market access prohibition on 5G equipment (raised by China).

3.61. At the meeting, concerns were again raised on: (i) Brazil's measures restricting shrimp imports (raised by Ecuador); (ii) a selective tax by the Kingdom of Saudi Arabia on certain imported products (raised by European Union, Switzerland, and United States); (iii) Indonesia's import and export policies (raised by European Union, Japan, and Norway); (iv) US measures relating to imports of fish and seafood products (raised by China); (v) India's customs duties on ICT products (raised by Canada, China, European Union, Japan, Norway, Chinese Taipei, and United States); (vi) India's measures relating to sugar exports (raised by Australia and European Union); (vii) the EU quality schemes for agricultural products and foodstuffs and the registration of the term "Danbo" as a geographical indication (raised by United States and Uruguay); (viii) China's measures restricting the import of scrap materials (raised by United States); (ix) India's quantitative restrictions on imports of certain pulses (raised by Australia, Canada, European Union, Russian Federation and United States); (x) China's customs duties on certain integrated circuits (raised by European Union, Japan, and Chinese Taipei); (xi) China's new draft export control law (raised by Japan); (xii) the US proposal prohibiting the use of universal service support on equipment or services from companies that pose national security threats (raised by China); (xiii) the US civil aviation security measures (raised by China); and (xiv) the Russian Federation's trade-restricting practices (raised by European Union).

3.62. At the CTG meeting on 11 and 12 April 2019³⁴, new concerns were raised on: (i) the EU safeguard measures on Indica rice from Cambodia (raised by Cambodia); and (ii) the EU regulation EC No. 1272/2008 concerning the update of the classification, labelling and packaging (CLP) of chemical substance mixtures (raised by Russian Federation).

³⁰ This Section does not include the SPS and TBT Committees (covered separately). Issues raised in this Section may subsequently have become the subject of a dispute.

³¹ G20 economies are encouraged to communicate to the Trade Monitoring Section of the WTO's Trade Policies Review Division trade issues which they have raised in WTO bodies and which they believe are relevant to the monitoring exercise.

³² Document WT/GC/M/177 (forthcoming).

³³ Document G/C/M/133.

³⁴ Document G/C/M/134 (forthcoming).

3.63. At the same meeting, trade concerns were repeated on (i) the EU enlargement to include Croatia (raised by Russian Federation); (ii) the selective tax on certain imported products by the Kingdom of Saudi Arabia (raised by European Union, Switzerland and United States); (iii) Indonesia's import and export policies (raised by European Union, Japan, Norway and United States); (iv) India's customs duties on ICT products (raised by Canada, China, European Union, Japan, Norway, Chinese Taipei and United States); (v) the EU quality schemes for agricultural products and foodstuffs and the registration of certain terms of cheese as geographical indications (raised by Argentina, Uruguay and United States); (vi) China's measures restricting the import of scrap materials (raised by United States); and (vii) India's quantitative restrictions on imports of certain pulses (raised by Australia, Canada, European Union, Russian Federation and United States).

3.64. Additional concerns were repeated on: (viii) China's customs duties on certain integrated circuits (raised by European Union, Japan and Chinese Taipei); (ix) the EU draft implementing regulations regarding protected designations of origin and geographical indications, traditional terms, labelling and presentation of certain wine sector products (raised by Argentina and United States); (x) China's new draft export control law (raised by Japan); (xi) the US proposal prohibiting the use of universal service support on equipment or services from companies that pose national security threats (raised by China); (xii) Australia's discriminatory market access prohibition on 5G equipment (raised by China); (xiii) the US measures on aviation security equipment (raised by China); (xiv) the Russian Federation trade-restricting practices (raised by European Union); (xv) the EU (Croatia) regulation of the import and sale of certain oil products (raised by Russian Federation); and (xvi) the EU amendments to Directive 2009/28/EC on renewable energy directive (raised by Malaysia and Colombia).

3.65. At the meeting of the *Committee of Participants on the Expansion of Trade in Information Technology Products* on 14 May 2019³⁵, new and previously-raised trade concerns were raised on: (i) India's continued tariff increases for certain ICT products (raised by Canada, China, Japan, Republic of Korea, Norway, Chinese Taipei and United States); (ii) China's new tariffs concerning multi-component integrated circuits (MCOs) (raised by European Union, Japan and Chinese Taipei); and (iii) Indonesia's tariffs on certain ICT products (raised by United States).

3.66. At the meeting of the *Committee on Import Licensing* (CIL) on 22 October 2018³⁶, new and persistent trade concerns were raised on: (i) Indonesia's import licensing regime for cell phones, handheld computers and tablets (raised by United States); (ii) Indonesia's import requirements related to milk supply and circulation (raised by European Union and United States); (iii) India's import licensing requirements for boric acid (raised by United States); (iv) India's import requirements on certain pulses (raised by Australia, Canada and European Union); (v) China's changes to import licensing for certain recoverable materials (raised by United States); (vi) Brazil's import licensing on industrial nitrocellulose (raised by European Union); and (vii) the Russian Federation's import procedures for specified medicines and pharmaceutical products, i.e. the Good Manufacturing Practice (GMP) certificate requirements (raised by European Union).

3.67. At the 4 April 2019³⁷ CIL meeting, several persistent trade concerns were raised again on: (i) Indonesia's licensing regime on cell phones, handheld computers and tablets (raised by United States); (ii) India's import licensing requirements on boric acid (raised by United States); (iii) China's import licensing for certain recoverable materials (raised by United States); and (iv) Brazil's import licensing on industrial nitrocellulose (raised by European Union).

3.68. At the meeting of the *Committee on Customs Valuation* on 19 November 2018³⁸, trade concerns were repeated on Indonesia's status of PSI notifications (raised by United States).

3.69. At the meetings of the *Committee on Agriculture* (CoA) on 26-27 November 2018 and 26-27 February 2019³⁹, a number of questions and concerns were raised with respect to

³⁵ Document G/IT/M/70 (forthcoming).

³⁶ Document G/LIC/M/48.

³⁷ Document G/LIC/M/49 (forthcoming).

³⁸ Document G/VAL/M/67.

³⁹ Questions and responses to the issues raised under the review process in the CoA meetings are available in G/AG/W/191, issued on 18 December 2018 and G/AG/W/196, issued on 12 April 2019, respectively.

G20 members' individual notifications and on implementation-related issues. In the period from 10 October 2018 to 15 May 2019, 145 questions were discussed concerning policies implemented by G20 members, including on individual notifications (86 questions), on Article 18.6 issues (53 questions on 27 implementation-related issues) and on overdue notifications (6 questions). Additional details regarding these questions and concerns can be found in Section 3.6 of this Report.

3.70. At the meetings of the *Committee on Anti-Dumping Practices* (ADP)⁴⁰ on 24 October 2018 and 1 May 2019, concerns were raised as per Table 3.16.

Table 3.16 Concerns raised on anti-dumping practices

Measure implemented by	Member(s) raising the concern
Argentina	
Investigation on parenteral solutions	Mexico
Brazil	
Measures on milk powder products	New Zealand
Sunset review of measures on heavy plates	Ukraine
Sunset review of measures on tyres for passenger cars	Ukraine
China	
Investigation and provisional measure on broiler or chicken products	Brazil
Preliminary determination on acrylonitrile-butadiene rubber	Japan
Initiation of investigation and preliminary determination on stainless steel billets, hot-rolled plates and coils	Japan
Measures on acrylonitrile-butadiene rubber	Korea, Republic of
Canada	
Normal value review on certain liquid dielectric transformers	Korea, Republic of
Normal value review on certain carbon and alloy steel line pipes	Korea, Republic of
Measures on Oil Country Tubular Goods (OCTG)	Turkey
European Union	
Sunset review on seamless steel pipes and tubes	Russian Federation
Provisional duties on mixtures of urea and ammonium nitrate	Russian Federation
India	
Sunset review on soda ash	Turkey
Indonesia	
Measures on hot-rolled coil	Kazakhstan
Mexico	
Sunset review on ferro-silico-manganese	Ukraine
United States	
Preliminary determination on large-diameter welded pipes	Canada
Sunset review on stainless steel bar	Japan
Administrative reviews on OCTG, circular welded non-alloy pipe, heavy-walled rectangular welded carbon steel pipes and tubes, large diameter welded pipe, and corrosion-resistant steel	Korea, Republic of
Measures on circular welded carbon steel pipes and tubes	Thailand

Source: WTO Secretariat.

3.71. Additional issues and concerns were raised at the October 2018 meeting on: (i) the non-notification by some Members of their legislative status in the ADP Committee, albeit doing so in the context of the TPRB forum (raised by United States); (ii) the enactment and implementation of the amendments to the Basic AD Regulation of the European Union, allowing the latter not to apply the lesser duty rule in case of price distortions for raw materials in the exporting country (raised by Russian Federation); (iii) the United States' application of adverse facts available and the determination of particular market situation in investigations (raised by Korea, Republic of; Japan; China; and Russian Federation); and (iv) the European Union's use of the cost adjustment methodology already challenged by certain Members under the DS mechanism (raised by Russian Federation).

3.72. Concerns raised in the May 2019 ADP Committee meeting referred to: (i) the United States' particular market situation determination in the imposition of anti-dumping measures (raised by Korea, Republic of and Thailand); (ii) the United States' application of adverse facts available

⁴⁰ Minutes G/ADP/M/55 and G/ADP/M/56 (forthcoming), respectively.

(raised by Korea, Republic of); (iii) the European Union's amendments to its AD regulation pertaining to the non-application of the lesser duty rule and to the application of cost adjustment methodology (raised by Russian Federation); and (iv) Mexico's non-market economy methodologies applied in anti-dumping investigations and reviews (raised by Russian Federation).

3.73. At the meetings of the *Committee on Subsidies and Countervailing Measures*⁴¹ on 23 October 2018 and 30 April 2019, concerns were raised on countervailing duty actions as per Table 3.17.

Table 3.17 Concerns raised on countervailing duty actions

Measure implemented by	Member(s) raising the concern
India	
Increased use of countervailing duties	China
United States	
Imposition of countervailing duties on ripe olives	European Union
Determinations in various CVD investigations	Turkey
Investigation on fabricated structural steel	Mexico
Investigations on hot-rolled and cold-rolled steel products and large diameter welded pipes	Korea, Republic of

Source: WTO Secretariat.

3.74. At the same meetings concerns were raised on China's alleged subsidy programmes in the steel sector (raised by European Union and United States).

3.75. Additional concerns were raised on: (i) the elimination of export subsidies by the Members that received extensions under Article 27.4 of the SCM Agreement; (ii) the low and declining level of compliance with the notification and transparency obligations in the SCM Agreement; (iii) requests for information pursuant to Article 25.8 and 25.9 (raised by United States); (iv) subsidies and overcapacity (raised by Canada, European Union, Japan, Mexico and United States); (v) the implementation of paragraph 2 of the Ministerial Decision on Fisheries Subsidies (raised by Argentina; Australia; Canada; Costa Rica; European Union; Iceland; Japan; Korea, Republic of; New Zealand; Norway; Chinese Taipei and United States).

3.76. At the meeting of the *Trade-Related Investment Measures (TRIMs) Committee* on 17 October 2018⁴², new or persistent issues were raised, as per Table 3.18:

Table 3.18 Concerns raised at the TRIMs Committee

Measure implemented by	Member(s) raising the concern
Argentina	
Act 27,263 on the development and strengthening of auto-parts ⁴³	Mexico
China	
Local content in cybersecurity measures (including provisions on insurance system informatization) ⁴⁴	United States
Indonesia	
Requirements for 4G LTE mobile devices ⁴⁵	European Union, Japan, United States
Provisions in the energy sector (mining, oil and gas) ⁴⁶	European Union, Japan, United States
Industry Law and Trade Law ⁴⁷	European Union, Japan
Minimum local product requirement for modern retail sector ⁴⁸	European Union, Japan

⁴¹ Minutes G/SCM/M/107 and G/SCM/M/109 (to be circulated), respectively.

⁴² Minutes G/TRIMS/M/45.

⁴³ Documents G/TRIMS/Q/ARG/1; G/TRIMS/Q/ARG/2; G/TRIMS/Q/ARG/3; G/TRIMS/Q/ARG/4; G/TRIMS/Q/ARG/5; G/TRIMS/Q/ARG/6; and G/TRIMS/Q/ARG/7.

⁴⁴ Document G/TRIMS/Q/CHN/1.

⁴⁵ Documents G/TRIMS/W/148 and G/TRIMS/W/162.

⁴⁶ Documents G/TRIMS/W/70; G/TRIMS/W/74; G/TRIMS/W/79; G/TRIMS/W/88; G/TRIMS/W/100; G/TRIMS/W/108; G/TRIMS/W/123; G/TRIMS/W/128; G/TRIMS/W/137; and G/TRIMS/W/137/Corr.1.

⁴⁷ Documents G/TRIMS/W/138; G/TRIMS/W/140; G/TRIMS/W/157; and G/TRIMS/W/158.

Measure implemented by	Member(s) raising the concern
Measures relating to investment in the telecommunications sector ⁴⁹	European Union, Japan
Requirements for pharmaceutical products and medical devices ⁵⁰	European Union, United States
Russian Federation	
Measures implementing the Russian Federation's import substitution policy ⁵¹	European Union, United States
Turkey	
Practices and measures in the pharmaceutical sector	European Union, United States

Source: WTO Secretariat.

3.77. At the meetings of the *Committee on Safeguards*⁵² on 22 October 2018 and 29 April 2019, concerns were raised on specific safeguard actions, as per Table 3.19.

Table 3.19 Concerns raised at the Committee on Safeguards

Measure Implemented by	Member(s) raising the concern
Canada	
Investigation on certain steel products	Mexico; Turkey; Japan; Korea, Republic of
Russian Federation ⁵³	
Investigation on certain flat-rolled steel products	Ukraine; Japan; Korea, Republic of
Investigation on welded tubes of stainless steel	Ukraine, European Union
European Union	
Investigation on certain steel products	Brazil; Japan; Switzerland; Turkey; China; Ukraine; Russian Federation; Korea, Republic of
Kingdom of Saudi Arabia ⁵⁴	
Investigation on certain flat-rolled steel products	Ukraine; Japan; Korea, Republic of
India	
Investigation on solar cells	Japan
Indonesia	
Investigation on ceramic flags and paving, hearth or wall tiles	Japan
Investigation on aluminium foil	Japan; Korea, Republic of
South Africa	
Investigation on threaded fasteners of iron or steel	European Union
Turkey	
Investigation on iron and steel products	European Union; Korea, Republic of; Japan; Brazil; China; Ukraine
Investigation on wallpaper and similar wallcoverings	European Union; Korea, Republic of
Investigation on yarn of nylon or other polyamides	European Union; Korea, Republic of
United States	
Investigation on crystalline silicon photovoltaic cells	China; Japan; Korea, Republic of; Norway
Investigation on large residential washers	Korea, Republic of
Measures taken following Section 232 investigations	Turkey, Japan, Russian Federation, China, India

Source: WTO Secretariat.

3.78. At the meeting of the *Working Party on State Trade Enterprises* (STEs) on 19 October 2018⁵⁵, trade concerns were raised on the continued non-notification by the Russian Federation of its STEs (raised by United States).

⁴⁸ Documents G/TRIMS/W/139; G/TRIMS/W/141; G/TRIMS/W/159; and G/TRIMS/W/161.

⁴⁹ Documents G/TRIMS/W/61; G/TRIMS/W/63; G/TRIMS/W/71; G/TRIMS/W/75; G/TRIMS/W/78; G/TRIMS/W/80; G/TRIMS/W/86; G/TRIMS/W/96; G/TRIMS/W/104; G/TRIMS/W/131; G/TRIMS/W/154; G/TRIMS/W/160; G/TRIMS/Q/IDN/1; and G/TRIMS/Q/IDN/2.

⁵⁰ Document G/TRIMS/Q/IDN/3.

⁵¹ Documents G/TRIMS/Q/RUS/4; G/TRIMS/Q/RUS/5; G/TRIMS/Q/RUS/6; G/TRIMS/Q/RUS/7; G/TRIMS/Q/RUS/8; and G/TRIMS/Q/RUS/9.

⁵² Documents G/SG/M/54 and G/SG/M/55 (forthcoming).

⁵³ Investigations are initiated at the level of the Eurasian Economic Union.

⁵⁴ Investigations are initiated at the level of the GCC.

⁵⁵ Minutes G/STR/M/34.

3.79. At the meeting of the *Council for Trade in Services (CTS)* held on 7 December 2018⁵⁶, concerns were reiterated about cybersecurity measures by China (raised by Japan and United States⁵⁷). As part of its reply, China reiterated its concerns about measures by the United States that China alleges may affect other Members' cybersecurity interests.⁵⁸ The concerns about cybersecurity measures by China were repeated at the meeting of the Council held on 21 March 2019 (raised by Japan).⁵⁹ As part of its reply, China expressed its concerns about the definition of "critical infrastructure" contained in Japan's cybersecurity legislation.⁶⁰

3.80. The above Section provides evidence of the continued increase of trade concerns raised in various WTO bodies between mid-October 2018 and mid-May 2019. The overwhelming majority of the trade concerns raised in WTO Committees and Councils relate to measures and policies implemented by G20 economies. Compared to the previous G20 trade monitoring report the number of trade concerns raised per meeting increased by more than 60% during the current review period. A large number of trade concerns raised during the review period were raised in successive meetings of the same Committee/Council and also in more than one WTO body. The latter provides further evidence that these concerns address persistent problems and involve technically complex and cross-cutting issues. It also suggests that WTO Members are increasingly using multiple platforms within the WTO committee structure to address various aspects of such concerns. As illustrated in previous reports, there is little doubt that the formal meetings of the relevant WTO bodies are considered important platforms for calling attention to trade concerns and/or issues. Systemically, this is significant because of the increased transparency which it brings, but also because it demonstrates that Members are actively using the WTO committees to engage trading partners on real or potential areas of trade friction.

3.6 Policy Developments in Agriculture

3.81. During the November 2018 and February 2019 meetings of the CoA, 27 out of the 44 implementation-related issues (Art. 18.6) raised concerned policies implemented by G20 members.⁶¹ Chart 3.14 shows an increasing trend since 2011 in the average number of questions raised per meeting under Article 18.6 concerning policies maintained by G20 economies. In 2018, an average of around 30 implementation-related questions were addressed to G20 members per meeting. The first CoA meeting of 2019 saw a similar number of questions addressed to G20 members on some 28 issues. These numbers include questions that were repeated from one meeting to the next because responses were not provided within the relevant time-frames.

⁵⁶ Document S/C/M/137.

⁵⁷ The United States also circulated a communication under that item, entitled "Measures adopted and under development by China relating to its Cybersecurity Law – Questions to China" (document S/C/W/378).

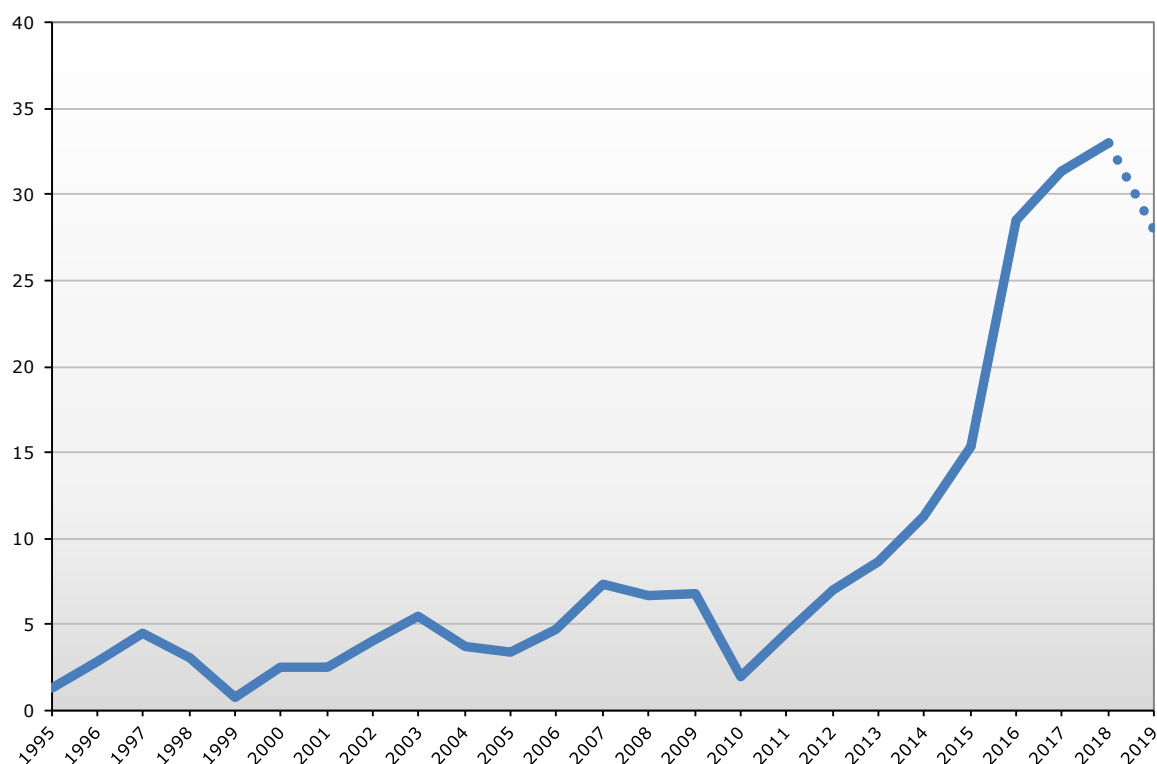
⁵⁸ Document S/C/M/137.

⁵⁹ Document S/C/M/138 (forthcoming).

⁶⁰ Document S/C/M/138 (forthcoming).

⁶¹ Questions and responses to the issues raised under the review process in the CoA meetings on 26-27 November 2018 and 26-27 February 2019 are available in documents G/AG/W/191, issued on 18 December 2018, and G/AG/W/196, issued on 12 April 2019.

Chart 3.14 Average number of questions posed to G20 members under Article 18.6, per meeting^a



a 2019 data covers up to the first CoA meeting of 2019 (February).

Source: WTO Secretariat.

3.82. Some of the issues raised were discussed for the first time, whereas others had been discussed one or more times in previous years. Table 3.20 indicates the specific measures relating to implementation commitments that were discussed for the first time during the November 2018 and February 2019 CoA meetings.

3.83. Of the 27 implementation-related issues concerning policies implemented by G20 economies, 15 were discussed for the first time during the two meetings that took place during the period under review. Nearly half of the questions raised related to domestic support policies targeting producers of dairy products (i.e. the EU intervention policy, India's dairy loans and the Russian Federation's increased support to the dairy sector). Members also raised questions concerning domestic support policies implemented by G20 members of a broader scope, such as China's credit programme, the European Union's drought support to farmers, and the United States 2018 Farm Bill. Some of the questions raised sought clarification on policies that potentially subsidized exports of wheat (i.e. Turkey's flour exports and the Turkish grain board), rice (i.e. India's support to rice exporters and Japan's export subsidies), oilseeds (i.e. India's soymeal export subsidies) and agricultural products in general (i.e. US trade promotion payments). Three of the issues raised related to measures that restricted, or had the potential to restrict, trade of agricultural products, including dairy products (i.e. India's whey milk powder duty), edible oils (i.e. India's import duty protections) and policies affecting market access of more than one specific product (i.e. the European Union's modification of its agricultural schedule of commitments). The complete list of questions and answers can be accessed through the Agriculture Information Management System (AG IMS) by using the ID numbers provided in Table 3.20.⁶²

⁶² In the AG IMS (<http://agims.wto.org>), select the function "Search Q&A Submitted Since 1995" and input the ID number of the question concerned.

Table 3.20 Article 18.6 issues discussed for the first time in the November 2018 and February 2019 CoA meetings

Question summary	Question raised by	Products	Number of questions	CoA meetings	ID number
China's credit programme	United States		1	89	89022
European Union's modification of agricultural schedule of commitments	Canada, New Zealand, Thailand		3	89, 90	90087, 90028, 90128, 90129, 89001
European Union's drought support to farmers	Ukraine		1	89	89056
European Union's intervention policy	New Zealand	Milk powders	1	90	90026
India's dairy loans	United States	Dairy, Milk, Milk powders, Butter, Cheese, Other	1	89	89027
India's import duty protection	United States	Oils	1	90	90042
India's soymeal export subsidies	United States	Oil seeds, fats and oils	1	90	90044
India's support to rice exports	Japan, Thailand	Rice	1	90	90111, 90130
India's whey milk powder duty	United States	Milk powders	1	89	89025
Japan's export subsidies	United States	Rice	1	89	89028
Russian Federation's increased support to dairy sector	European Union	Dairy, Milk, Milk powders, Butter, Cheese, Other	1	90	90007
Turkey's flour export and Turkish Grain Board	European Union	Wheat	1	90	90009
US Boston Bounty Bucks funds programme	India		1	90	90038
US Farm Bill 2018	Australia, European Union, India	Dairy, Milk, Milk powders, Butter, Cheese, Other, Sugar, Cane or beet sugar, Other	3	90	90010, 90071, 90037
US trade promotion payments	European Union		1	90	90013

Source: WTO Secretariat.

3.84. Other measures that were discussed related to follow-up questions on persistent areas of concern (Table 3.21). A number of these issues have been raised in multiple CoA meetings. Two have been raised in 12 meetings (i.e. Canada's new milk ingredient class and its wine sale policy). India's pulses policies and rice imports of Korea, Republic of have been raised in seven and six meetings, respectively, and India's sugar policies in four. Four issues were brought up again concerning US policies (i.e. dairy policies, skim milk powder export subsidies, proposed domestic support measures and US support to the cotton sector). The European Union's CAP reform was discussed for the second time in a CoA meeting, while India's proposed domestic support programmes and its Merchandise Exports from India Scheme (MEIS) were discussed for the second and third times, respectively. The complete list of questions and answers can be accessed through the Agriculture Information Management System (AG IMS) by using the ID numbers provided in the Table below.⁶³

⁶³ In the AG IMS (<http://agims.wto.org>), select the function "Search Q&A Submitted Since 1995" and input the ID number of the question concerned.

Table 3.21 Questions previously raised under Article 18.6

Question summary	Question raised by	Products	Number of questions	Number of meetings in which the issue was discussed	Meetings in which the issue was discussed	ID number
Canada's New Milk Ingredient Class	Australia, India, New Zealand, United States	Dairy, Milk, Milk powders, Butter, Cheese, Other	50	12	79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90	90018, 90120, 90039, 89020, 89053, 89055, 88120, 88121, 88065, 88064, 88061, 87015, 87063, 87064, 87065, 87159, 87160, 86002, 86030, 86033, 85002, 85003, 85004, 85005, 85006, 85008, 85011, 85051, 85052, 85053, 85054, 85055, 85056, 84012, 84018, 84020, 84021, 84022, 84023, 84025, 84027, 84029, 84030, 84035, 84111, 84107, 84031, 83054, 83039, 82012, 82059, 82013, 82001, 81001, 81009, 81049, 81054, 81055, 81056, 80003, 80005, 80006, 80025, 79035
Canada's wine sale policy	Australia, European Union, New Zealand, United States	Alcoholic beverages	23	12	79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90	90040, 89021, 89054, 88096, 87016, 87066, 86034, 85012, 85057, 84017, 84106, 84033, 84112, 84105, 83007, 83041, 83104, 83135, 82057, 82002, 81003, 81011, 81024, 81046, 81047, 81097, 80008, 80009, 80094, 80095, 79003
India's pulses policies	Australia, Canada, Russian Federation, Ukraine, United States	Processed vegetables	34	7	84, 85, 86, 87, 88, 89, 90	90032, 90088, 90029, 90004, 90043, 89004, 89007, 89024, 89057, 88060, 88066, 88092, 88095, 88109, 87001, 87017, 87073, 87074, 87087, 87088, 87077, 87070, 87071, 87072, 87075, 87076, 86061, 86062, 86063, 86065, 86039, 86035, 85064, 84044
Korea's, Republic of rice imports	Australia, Thailand, United States	Rice	8	6	23, 78, 86, 87, 88, 89	89029, 89060, 88045, 87090, 86036, 23006, 78020, 78024
India's sugar policies	Australia, Brazil, European Union, Russian Federation	Sugar, Cane or beet sugar, Other	9	4	87, 88, 89, 90	90033, 89058, 89090, 88046, 88130, 88129, 88128, 88127, 88039, 88042, 88043, 87002, 87079
US dairy policies	Canada	Dairy, Milk, Milk powders, Butter, Cheese, Other	6	4	85, 86, 87, 89	89005, 89006, 87105, 87106, 86084, 85079
India's skim milk powder export subsidies	Australia, European Union, New Zealand, United States	Dairy, Milk, Milk powders, Butter, Cheese, Other	5	3	88, 89, 90	90002, 89026, 88070, 88037, 88122, 88040

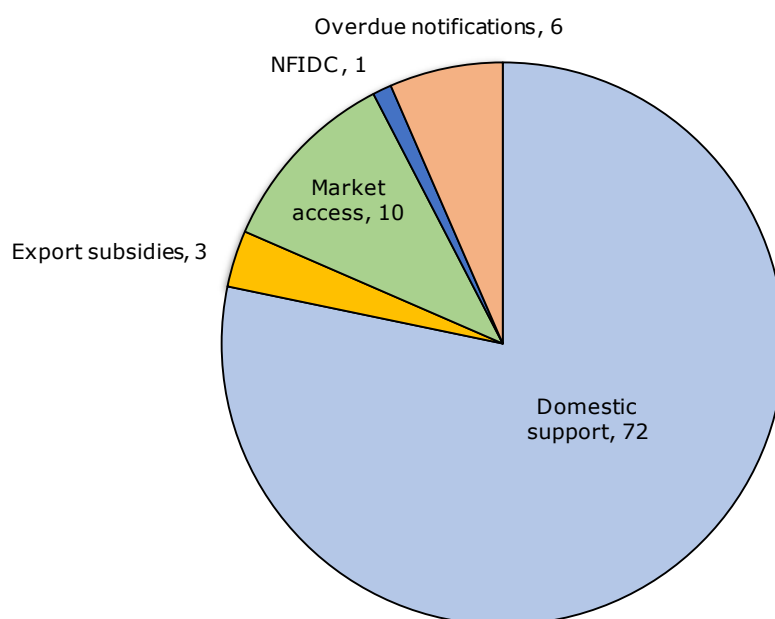
Question summary	Question raised by	Products	Number of questions	Number of meetings in which the issue was discussed	Meetings in which the issue was discussed	ID number
US proposed domestic support measures	Australia, Canada, European Union, India, Japan, New Zealand	Swine, Milk, Fresh vegetables, Wheat, Corn, Coarse grains	9	3	88 ,89, 90	90035, 89047, 89066, 88030, 88048, 88028, 88047, 88029, 88098
US support to the cotton sector	Brazil, European Union, India	Cotton	3	3	86, 87, 90	90036, 87103, 86069
EU's CAP reform	New Zealand, Australia		2	2	88, 90	90022, 88062
India's MEIS	Australia, New Zealand, United States	India's MEIS	3	2	88, 89	89059, 88123, 88038, 88067
India's proposed domestic support programmes	European Union		2	2	88, 90	90003, 88041

Source: WTO Secretariat.

3.85. The CoA continued its review of the implementation of WTO Members' commitments under the Agreement on Agriculture (AoA). This review is largely based on the notifications submitted by Members. There are 12 distinct notification requirements 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 Marrakesh Net Food-Importing Developing Countries (NFIDC) Decision. The applicability of a notification requirement to a WTO 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). 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 document G/AG/2.

3.86. From 10 October 2018 to 15 May 2019, G20 economies submitted 118 notifications (including addenda and corrigenda). A total of 86 questions were posed during the November 2018 and February 2019 CoA meetings concerning these and previously-submitted notifications. These questions accounted for 69% of all notification-related questions raised in the CoA in that period. As seen in Chart 3.15, during the review period, the majority of questions concerned notifications related to domestic support, followed by questions on market access. Six questions were raised concerning outstanding notifications from China; Korea, Republic of; and Turkey.

Chart 3.15 Number of questions concerning notifications by G20 members (November 2018 and February 2019 CoA meetings)^a



a The complete questions and answers can be accessed through the AG IMS at <http://agims.wto.org> by using the ID numbers in the function "Search Q&A Submitted Since 1995".

Source: WTO Secretariat.

3.87. Members continue to take steps towards the implementation of the December 2015 Nairobi Ministerial Decision on Export Competition. Several Members with scheduled export subsidy reduction commitments have taken steps to modify their schedules pursuant to this Decision; so far, Australia, Mexico, United States and South Africa have certified their revised export subsidy schedules. Canada and the European Union have submitted their draft revised schedules, but these have not yet been certified. Brazil, Turkey and Indonesia are undergoing processes at their national level in relation to the modification of their schedules on export subsidies.

3.88. In addition to the Committee's annual dedicated discussion on the implementation of the Nairobi Ministerial Decision on export competition at its June meetings, WTO Members have the possibility to ask questions in connection with this Decision at any CoA meeting. During the two meetings covered by this Report, four questions were raised regarding policies in the area of export credits, export credit guarantees or insurance programmes, and international food aid (Table 3.22). The complete set of questions and answers can be accessed through the AG IMS by using the ID numbers provided in Table 3.22.⁶⁴

Table 3.22 Questions raised on export competition during the November 2018 and February 2019 CoA meetings

ID number	Question raised by	Question answered by	Areas
90082, 89045	United States	India	Export credits, export credit guarantees or insurance programmes
90084, 89046	United States	Turkey	International food aid

Source: WTO Secretariat.

⁶⁴ In the AG IMS (<http://agims.wto.org>), select the function "Search Q&A Submitted Since 1995" and input the ID number of the question concerned.

3.89. Article 18.7 of the AoA establishes that "Any Member may bring to the attention of the Committee on Agriculture any measure which it considers ought to have been notified by another Member". Additionally, under the CoA agreed working procedures, "Counter-notifications under Article 18:7 of the Agreement shall be considered by the Committee at the earliest opportunity". During the review period, three counter-notifications were submitted pertaining to market price support measures undertaken by India regarding cotton (submitted by United States),⁶⁵ sugarcane (submitted by Australia)⁶⁶ and pulses (submitted by Australia, Canada and United States).⁶⁷ A summary of the discussions that took place in the CoA meetings can be found in G/AG/R/90 and G/AG/R/91.

3.7 General Economic Support

3.90. At the December 2018 TPRB meeting, several WTO Members expressed concern about the fact that, despite a comprehensive effort, it had again been impossible for the Secretariat to establish a separate annex on general economic support measures. In addition, introducing his Report to the TPRB meeting, the Director-General urged the membership to provide the Secretariat with guidance as to how these measures should be covered by the Trade Monitoring Reports.

3.91. Since July 2017, the Secretariat has been unable to justify the inclusion of a separate annex on general economic support measures in its Trade Monitoring Reports. This was partly a reflection of the low participation and response rate of WTO Members to the request for information and partly because such an annex would have been biased against those Members that traditionally publish detailed information of such measures and programmes. In addition, compounding the scarcity of information volunteered by Members, many delegations insisted on excluding general economic support measures identified by the Secretariat from public sources and for which verification was sought.

3.92. Of course, the creation of the WTO trade monitoring exercise in October 2008 was, to a large extent, triggered by the rise of a plethora of general economic support measures in response to the global financial crisis, in particular, a number of high-profile economic bail-out packages. The November 2016 Trade Monitoring Report provided a brief historical overview of the trends in the implementation of these measures as recorded since October 2008. It concluded that, although the large economy-wide subsidies and bail-outs of 2009-10 were no longer common, there was no evidence that governments had turned their back on subsidization as a policy tool, particularly in certain strategic industries or sectors. Moreover, the November 2018 Trade Monitoring Report, with its wider focus on policies and programmes implemented by Export-Import (EXIM) Banks and Export Credit Agencies (ECAs), concluded that governments have become more creative with respect to linking the allocation of general economic support and subsidies to specific export objectives. It is important to emphasize that the trade monitoring exercise does not make any judgement as to the WTO compatibility of such measures. Although it is possible that such measures may affect trade in some way, it is not always straightforward to conclude that they restrict or facilitate trade or that they distort competition. What has become clear in the context of researching and verifying such measures, however, is the different approaches to the transparency surrounding such policies applied by countries, either domestically or internationally.

3.93. In response to the Director-General's request for information for the mid-year G20 Trade Monitoring Report, the Secretariat received a record-low number of general economic support measures. Fewer than half of the G20 economies provided information on such measures. High-profile international infrastructure programmes which specifically have a trade component were not reported as part of the monitoring exercise, and neither were large-scale subsidies to boost the exports of specific economic sectors. As a result, the Secretariat decided against undertaking another comprehensive verification exercise of general economic support and subsidy measures.

3.94. Nevertheless, from the limited information received from G20 economies and from the research undertaken by the Secretariat some conclusions with respect to the use and diversity of

⁶⁵ Document G/AG/W/188, dated 9 November 2018.

⁶⁶ Document G/AG/W/189, dated 16 November 2018.

⁶⁷ Document G/AG/W/193, dated 12 February 2019.

general economic support measures stand out. Sectors which saw significant disbursements during the review period included support to farmers, investment in technology and innovation programmes, and investment in energy sectors. Other support measures and aid schemes financed transportation, the steel sector, physical infrastructure and provided assistance to SMEs. In addition, several programmes and policies targeting the promotion of exports, export financing, economic diversification and competitiveness improvements by reducing and refunding taxes or introducing preferential taxes schemes, were implemented by several G20 economies. Many were multi-year programmes, with financial disbursements staggered over the lifetime of the project. Other measures were one-off grants or aid schemes. In monetary terms, some programmes envisaged disbursements of several billion USD. For example, a number of recently-announced subsidy programmes will provide substantial support to specific sectors such as agriculture, including for export. The implementation of these programmes will take place during the review period covered by the next Trade Monitoring Report.

3.95. The current review period has confirmed that the strategic application of trade policy measures remains an important feature of international trade. Many governments continue to seek a strategic edge in international politics through trade policy. In the context of the trade monitoring exercise specifically and the multilateral trading system more generally, the selective transparency attributed to these policies and programmes by those who fund them should be of concern.

3.96. Discussions at the TPRB in December 2018 reinforced the need for clearer guidance as to how the Secretariat should cover general economic support measures. As the biggest traders and the biggest users of large-scale general economic support programmes, the G20 economies should provide leadership in addressing how to enhance transparency in this area.

3.8 Other Selected Trade Policy Issues

3.97. The following Section provides a brief overview of other selected trade policy issues where important developments took place during the review period, including follow up to a number of issues which saw outcomes at MC11 in Buenos Aires.

Trade Facilitation

3.98. The ratification process continued to advance. During the review period, four additional acceptance instruments were received, originating from Zimbabwe, Cameroon, Ecuador and Angola. This brought the overall number of ratifications to 142 by 3 May, corresponding to 86.6% of the membership.

ITA Expansion

3.99. Under the ITA Expansion Agreement, import tariffs on most of the 201 IT products covered by the Agreement have been progressively reduced since 1 July 2016 and are to be eliminated after three years, whereas other duties and charges are to be removed upon entry into force. The date of 1 July 2019 will mark the completion date for the implementation of the standard staging elimination of customs duties on an MFN basis for products covered by the ITA Expansion Agreement. The total number of Participants is 26, representing 55 WTO Members. For a limited number of sensitive products, tariffs will be phased out over five years, or seven for the most exceptional cases.

Government Procurement

3.100. On 5 May 2019, Australia fully joined the Agreement on Government Procurement (GPA), bringing the membership of the Agreement to 20 Parties, comprising 48 WTO Members.⁶⁸ Preliminary calculations suggest that Australia's overall government procurement markets are worth AUD 110 billion (USD 78 billion) annually, meaning that Australia's membership adds significantly to the government procurement market covered by the GPA, estimated at over USD 1.7 trillion in total. Another 32 WTO Members/Observers participate as observers in the Committee on Government Procurement. Following the accession of Australia, ten G20 economies

⁶⁸ The European Union and its 28 member States participate in the GPA as one Party.

(Australia; Canada; the European Union; France; Germany; Italy; Japan; Korea, Republic of; the United Kingdom; and the United States) are currently formally covered by the GPA, while another eight (Argentina, Brazil, China, India, Indonesia, the Russian Federation, the Kingdom of Saudi Arabia and Turkey) are observers in the GPA Committee. On 27 February 2019, the Committee reached a decision on the United Kingdom's accession to the GPA, in its own right, for the post-Brexit period (currently, the United Kingdom participates in the GPA as an EU member state). China and the Russian Federation continue to pursue their respective accessions to the Agreement.

Dispute Settlement

3.101. Between mid-October 2018 and mid-May 2019, Members requested consultations in 16 new cases. G20 economies accounted for approximately half of the total number of complainants and respondents in these disputes. These came in addition to the high number of disputes initiated earlier in 2018. As in previous years, the subject matter of new disputes focussed on a range of WTO Agreements, including provisions of the GATT 1994, the Anti-Dumping Agreement and the Agreement on Subsidies and Countervailing Measures. In addition, some complaints related to Members' obligations under the AoA and the Safeguards Agreement. As in previous years, both developed and developing country WTO Members have been involved in dispute settlement proceedings, as complainants, respondents and third parties.

3.102. This high level of initiation of new disputes resulted in the establishment of more dispute settlement panels than similar periods in recent years. During the review period, the Dispute Settlement Body established 23 new panels, and 1 panel to assess compliance with earlier rulings and recommendations (Table 3.23). This compares to six panels established in the period between mid-May and mid-October 2018.

Table 3.23 Dispute settlement panels established (G20 only, mid-October 2018-mid-May 2019)

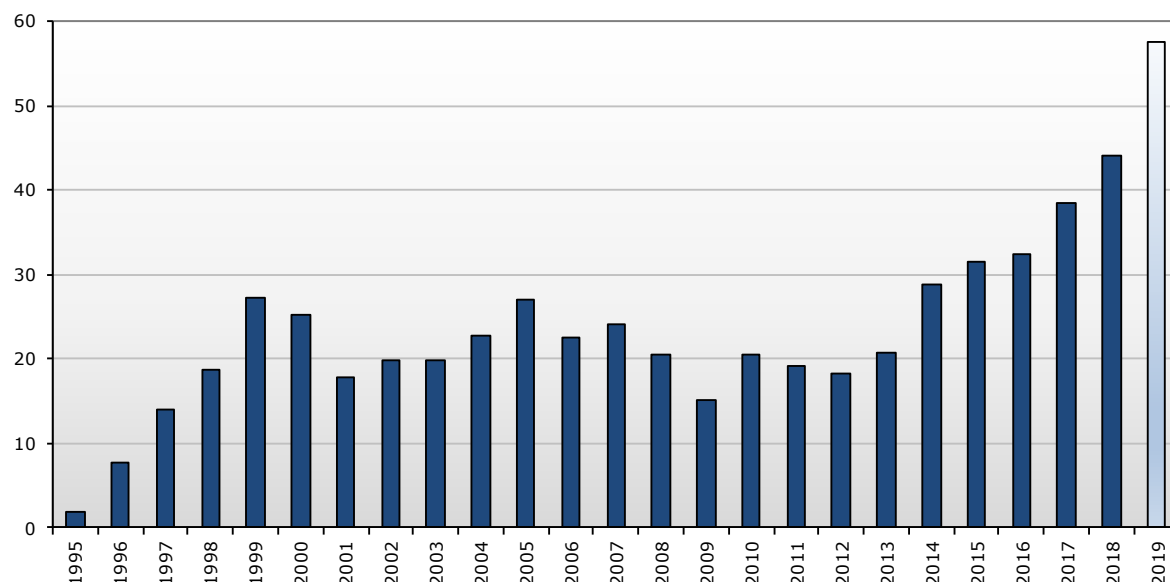
Dispute No.	Short title	Panel establishment date
DS553	<i>Korea – Stainless Steel Bars</i>	29 October 2018
DS475	<i>Russia – Pigs (EU) (Article 21.5)</i>	21 November 2018
DS542	<i>China – Intellectual Property Rights II</i>	21 November 2018
DS544	<i>US – Steel and Aluminium Products (China)</i>	21 November 2018
DS548	<i>US – Steel and Aluminium (EU)</i>	21 November 2018
DS550	<i>US – Steel and Aluminium Products (Canada)</i>	21 November 2018
DS551	<i>US – Steel and Aluminium Products (Mexico)</i>	21 November 2018
DS552	<i>US – Steel and Aluminium Products (Norway)</i>	21 November 2018
DS554	<i>US – Steel and Aluminium Products (Russia)</i>	21 November 2018
DS557	<i>Canada – Additional Duties (US)</i>	21 November 2018
DS558	<i>China – Additional Duties (US)</i>	21 November 2018
DS559	<i>EU – Additional Duties (US)</i>	21 November 2018
DS560	<i>Mexico – Additional Duties (US)</i>	21 November 2018
DS564	<i>US – Steel and Aluminium Products (Turkey)</i>	21 November 2018
DS566	<i>Russia – Additional Duties (US)</i>	18 December 2018
DS567	<i>Saudi Arabia – Protection of IPR</i>	18 December 2018
DS556	<i>US – Steel and Aluminium Products (Switzerland)</i>	4 December 2018
DS547	<i>US – Steel and Aluminium (India)</i>	4 December 2018
DS561	<i>Turkey – Additional Duties (US)</i>	28 January 2019
DS543	<i>US – Tariff Measures on Certain Goods (China)</i>	28 January 2019
DS573	<i>Turkey – Air Conditioning Machines</i>	11 April 2019
DS521	<i>EU – Cold-Rolled Steel (Russia)</i>	26 April 2019

Source: WTO Secretariat.

3.103. Over the review period, the number of ongoing appeal proceedings also increased, compared to the previous period. The Appellate Body circulated six Appellate Body reports concerning four matters, and five new appeals were filed. A total of 12 appeals were pending before the Appellate Body as of mid-May 2019.

3.104. Overall, as of early May 2019, a total of 57 panel, arbitration and appellate proceedings were ongoing. Most of these involved G20 countries, both as complainants and respondents. On average, 56 panel, arbitration and appellate proceedings were ongoing each month during the review period. This is the highest ever number of ongoing proceedings since the WTO was founded in 1995 (Chart 3.16).

Chart 3.16 Average number of ongoing disputes per month, 1995-2019



Note: 2019 data are based on the average of the number of active disputes from January to April. Several disputes are counted as one if they deal with the same subject matter. Annual averages are calculated on the basis of the number of ongoing proceedings per month (January to December) over the yearly period concerned (e.g. in 2017, 39 proceedings were ongoing per month, on average).

Source: WTO Secretariat.

3.105. In addition, several panels completed their work during the review period. Between mid-October 2018 and mid-May 2019, eight panels circulated reports to Members, including one report in compliance proceedings. Three out of the six Appellate Body reports circulated during the review period concerned original disputes; the other three related to compliance proceedings. In addition, one arbitral decision on the permissible level of suspension of obligations under Article 22.6 of the Dispute Settlement Understanding was circulated.

Fisheries Subsidies

3.106. In the negotiations on fisheries subsidies in the Rules Negotiating Group, Members remain committed to the mandate as set out in Sustainable Development Goal 14.6 and the Ministerial Decision on Fisheries Subsidies of the 11th WTO Ministerial Conference to reach, by the end of 2019, an agreement on disciplines that prohibit certain forms of fisheries subsidies that contribute to overcapacity and overfishing, and eliminate subsidies that contribute to Illegal, Unregulated and Unreported (IUU) fishing, with appropriate and effective special and differential treatment for developing country Members and LDC Members being an integral part of these negotiations. Intensive work is currently underway in the WTO to translate the mandate into legal rules which will add a critical element to the existing framework of international law on, and related to, fishing. While the work is technically difficult from a socio-economic, scientific, and legal perspective, WTO Members are committed to meeting the deadline of the end of the year for an agreement.

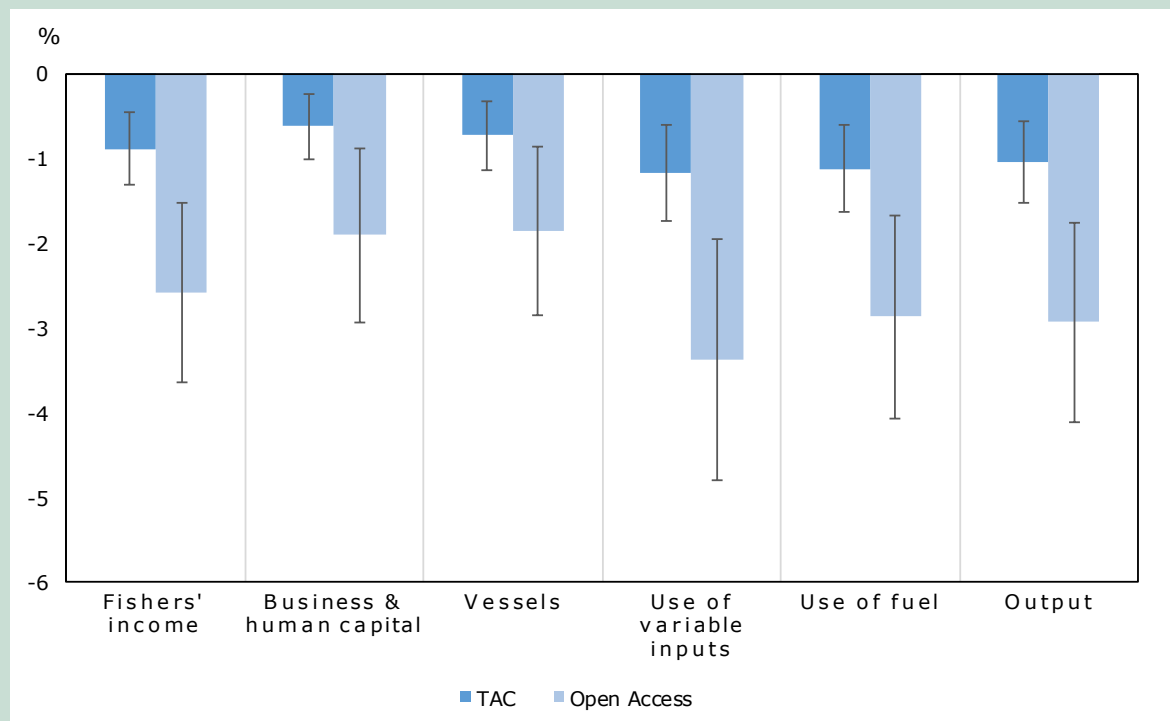
3.107. Box 3.7 on fisheries subsidies was contributed by the OECD.

Box 3.6 Reforming subsidies could add USD 2 billion to fishers' income

New research by the OECD compares the relative effects of six common forms of fisheries support. The results of the model-based analysis show that all six fisheries support policies investigated have the potential to increase fleet capacity, provoke overfishing, and encourage IUU fishing. However, their effects vary significantly in scale, and they can affect different fishers in different ways.

Support that is based on the costs of fishing, such as to help purchase fuel, gear or bait, can increase fishing effort more than other policy options. These types of support are the most likely to increase IUU fishing effort and to lead to stock depletion. They also tend to favour larger fishers.

Figure 1 Percent change in fish stock following an increase of USD 5 billion, by support type



Note: Fishers in open access can increase effort as much as they wish; higher effort reduces stock size in the long-run. Under a Total Allowable Catch (TAC), effort is controlled to some extent, though IUU fishing can still put pressure on fish stocks (depending on the fine they face for doing so). The points show the mean results from the model after 1,000 random draws of possible parameters. The high-low bars for each point show the variability of the results when parameters are changed, reflecting two standard deviations or 95% of the probability distribution of the impact of each policy.

Depending on the management context, many such fisheries support policies also do little to improve fishers' livelihoods. In particular, as little as 10% of government expenditures to reduce the cost of fuel for fishers may translate into real income gains. The potential benefits of such transfers are lost to increased effort and lower fish stocks, or are captured by those selling the subsidized inputs.

By contrast, payments that are designed to help the profitability of fishing operations bring significant benefits to fishers while also having relatively benign effects on effort and capacity. These include, for example, programmes that ensure that capital markets function to provide working capital for operations, or programmes to increase the business or operational skills of fishers. Payments that directly target fishers' incomes, such as disaster payments or employment insurance, also do a good job of delivering benefits equitably to all participants in the fishing sector.

The results overall show that it is possible to support the fishing sector and deliver benefits to fishers without unduly provoking overfishing or overcapacity. For example, moving existing support away from gear, fuel, vessels, or other inputs towards helping fishers to better operate their business could improve fishers' income by as much as USD 2 billion per year, reduce pressure on stocks and increase harvest by almost 0.5 tonnes per year.

Source: OECD. Martini, R. and Innes, J. (2018), "Relative Effects of Fisheries Support Policies", OECD Food, Agriculture and Fisheries Papers, No. 115, OECD Publishing, Paris, <https://doi.org/10.1787/bd9b0dc3-en>.

Electronic Commerce

3.108. Discussions on electronic commerce in the WTO are continuing under two parallel tracks – multilaterally under the General Council and its relevant subsidiary bodies, as well as under the Joint Statement on Electronic Commerce initiative. At the multilateral level, efforts are ongoing to reinvigorate the 1998 Work Programme on Electronic Commerce as agreed by Ministers at the 11th WTO Ministerial Conference in Buenos Aires. Members are also discussing the impact and scope of the decision not to impose customs duties on electronic transmissions. At its session in December 2018, the General Council reviewed progress in the Work Programme based on reports submitted by the Chairs of the Goods, Services and TRIPS Councils and the Committee on Trade and Development. In addition, the Chair reported on the Informal Open-ended meeting on the moratorium which was held in late November 2018.

3.109. Under the Joint Statement on Electronic Commerce initiative, exploratory discussions among a group of Members towards future negotiations on trade-related aspects of e-commerce continued until December 2018. Building on the exploratory work carried out in 2018, in January 2019, 76 WTO Members issued a Joint Statement confirming their intention to commence WTO negotiations on trade-related aspects of electronic commerce. The now 77 Members will seek to achieve an outcome that builds on existing WTO agreements and frameworks with the participation of as many WTO Members as possible. The first substantive meeting was held on 13-15 May 2019. All WTO Members are encouraged to participate, in order to further enhance the benefits of e-commerce for businesses, consumers and the global economy. Other Members have expressed opposition to these negotiations on the grounds that they are not part of the current negotiating mandate.

Investment Facilitation

3.110. The Joint Ministerial Statement on Investment Facilitation for Development⁶⁹ co-sponsored by 70 Members at MC11 calls for the start of "structured discussions with the aim of developing a multilateral framework on investment facilitation". According to the proponents, investment facilitation is about creating a more efficient, predictable and "investment-friendly" business climate – by making it easier for investors to establish operations and conduct their day-to-day business – and such an agreement could facilitate global investment in the same way that the WTO was helping to facilitate global trade with its Trade Facilitation Agreement. However, other Members oppose discussions on investment facilitation in the WTO, mostly on the grounds that they are not part of the current negotiating mandate.

3.111. Between mid-October 2018 and mid-May 2019, the Structured Discussions held seven meetings, including a "stock-take and next steps" meeting in December 2018 and an organizational meeting in January 2019.⁷⁰ At the former, the participating Members agreed that, in 2018, the Structured Discussions had been successful in identifying possible elements of a multilateral framework on investment facilitation for development. These identified possible elements have been reflected and organized in a "Checklist of Issues raised by Members".⁷¹ At the organizational meeting in January 2019, participating Members re-iterated their full support for the next phase of the initiative to move towards the development of the possible elements of the multilateral framework – in line with the objective established in the Joint Ministerial Statement. The discussions in the first half of 2019 have been based on concrete examples submitted by Members on a 'no prejudice' basis, which have been compiled in a "Compendium of text-based examples" aimed at facilitating comparison among examples.⁷² The meetings were organized thematically, as per the schedule of meetings for the period January-July endorsed by participating Members.⁷³

⁶⁹ Document WT/MIN(17)/59.

⁷⁰ The meetings were held on 26 October, 16 November, and 6 December 2018, and 30 January, 4 March, 11 April and 16 May 2019.

⁷¹ The latest version of the checklist was circulated on 9 November 2018.

⁷² Document INF/IFD/RD/5/Rev.1.

⁷³ Document INF/IFD/W/3/Rev.1.

Micro, Small and Medium-sized Enterprises (MSMEs)

3.112. During the reporting period, the Informal Working Group on MSMEs held three open-ended meetings, including a thematic session on the Internet as a tool to help MSMEs access global markets, as well as a workshop on MSMEs' cyber readiness. An annual report, detailing the activities of the Group in 2018, was adopted at the end-of-the-year wrap-up session in November 2018.⁷⁴ Armenia joined the Group in November 2018, bringing the number of Members participating in the initiative to 89. Some Members oppose, or do not support, discussions on this issue, noting that it is not part of the original Doha Round discussions and that focussing on DDA issues should be the priority. The Group is working to identify a set of concrete, horizontal and non-discriminatory actions that Members could take to strengthen MSME participation in global trade, and that could form the basis of a future work programme for consideration by Members at the next WTO Ministerial Conference (MC12), in June 2020.

3.113. So far in 2019, discussions have focussed on how to improve access to information and support the development of the ITC-UNCTAD-WTO Global Trade Helpdesk, an online portal to existing trade-related information and intelligence, as well as how to enhance MSMEs' access to trade finance, data collection and coverage of MSME-related information in WTO Trade Policy Reviews. The Group has also been exploring principles to promote MSME participation in the drafting of new rules and assess the impact of new regulations on MSMEs. Three other open-ended sessions are planned in 2019, as well as various workshops and other activities.

⁷⁴ Document INF/MSME/R/7.

4 POLICY DEVELOPMENTS IN TRADE IN SERVICES

4.1. Over the period covered by this Report, many new measures affecting trade in services were introduced by G20 economies. Most of these are trade-facilitating, although certain new policies appear to be trade-restrictive, including measures affecting communication and network-enabled services, and policies pertaining to the review of foreign investment in certain areas considered strategic.

4.2. Annex 4 provides additional information on 35 entries for new measures from Argentina, Australia, Brazil, Canada, China, the European Union, France, Germany, India, Indonesia, Japan, the Republic of Korea, the Russian Federation, the Kingdom of Saudi Arabia, Turkey, and the United States.

Measures affecting supply through commercial presence

4.3. Various governments introduced changes to their investment policies that affect the supply through commercial presence (mode 3) across various sectors. On 15 March 2019, China adopted its new Foreign Investment Law, which provides for non-discrimination (pre- and post-establishment) between foreign-invested and domestic enterprises, and between foreign and domestic investors, except in sectors set out in a 'negative list'. Foreign investors no longer require prior approval from the Ministry of Commerce, but must register their investments with the relevant agencies. The new Law also prohibits forced technology transfers, as it stipulates that technology cooperation between foreign and Chinese businesses shall be undertaken voluntarily, based on commercial considerations. The law provides that China may retaliate against countries that discriminate against Chinese investments abroad.

4.4. India allowed foreign companies in the defence, telecom, information and broadcasting, and private security sectors to open branch offices, subject to approval from the regulator and the ministry concerned. Approval of the Reserve Bank of India is no longer required. In the Kingdom of Saudi Arabia, the Council of Ministers decided to allow foreign investment in four sectors where it was previously prohibited: road transport, real estate brokerage, audiovisual services, and recruitment and related services.

4.5. Some governments adopted new measures in relation to investment review procedures, including for national security purposes. In France, the Government amended its foreign investment regime by extending the prior authorization requirement to investments in new strategic sectors, including data storage in connection with public security. Germany amended the foreign investment regime. It lowered, from 25% to 10% of voting rights, the threshold for screening acquisitions by non-EU/EFTA investors in certain sectors, including operators of critical infrastructure in specific sectors, companies monitoring telecommunications, and providers of cloud computing services.

4.6. The European Union adopted a framework for the screening of foreign direct investments (FDI). The new regulation does not require EU member States to implement an FDI screening mechanism. However, existing or future mechanisms at the member State level are required to meet certain basic requirements, such as judicial review of decisions, non-discrimination between third countries, and transparency. The regulation sets out a non-exhaustive list of factors that may be taken into account to determine whether foreign investments pose a risk to security or public order, including the impact on critical infrastructure, critical technologies, the supply of critical inputs, access to, and ability to control, sensitive information, and freedom and pluralism of the media.

Communication Services and E-Commerce

4.7. Various G20 economies adopted new measures in relation to the communications sector or to Internet and other network enabled services. In the United States an Executive Order signed on 15 May 2019 declares a national emergency with respect to threats against ICT and services in the United States, and prohibits the purchase or use of ICT or services that pose a national security risk.

4.8. In the Russian Federation, a new law on the operation of the Internet, signed on 1 May 2019, establishes rules for routing telecommunication messages and provides for the monitoring of compliance with them. Telecommunication operators, trans-border telecommunication line owners and Internet exchange point owners will have to provide for centralized traffic management in case of emerging threats to the operation of the Internet in the Russian Federation. The law foresees the installation by operators of equipment provided by the regulator to counteract threats.

4.9. In Turkey, the Government introduced a new tax on online advertising services. A 15% tax is applied to payments made to providers of online advertising services or intermediaries. In Japan, the Diet approved a new measure to facilitate fair competition in mobile telephony by prohibiting mobile operators from offering discounts for retail communication charges when selling mobile handsets. The measure also prohibits conditions that unduly constrain subscribers from cancelling contracts. In Korea, Republic of, the Government amended the telecommunications law to, among other things, move from a licensing regime to a registration system.

4.10. In the European Union, the European Parliament and the Council of Europe adopted a Directive establishing the European Electronic Communications Code, which establishes common rules and objectives within the European Union on regulating the telecom industry, and defines how providers of networks and/or services can be regulated by national authorities. In Indonesia, the Government revoked a regulation on e-commerce taxes that was intended to be enforced from 1 April 2019, and which would have required online marketplace operators to report details of each seller's turnover, mandate online sellers to register for a tax payer number, and set out taxes to be paid by online sellers.

4.11. India announced new conditions in relation to its FDI policy on e-commerce. The new measure provides that e-commerce marketplaces cannot sell on their platform products of companies in which they have equity interests or in which they control the inventory. E-commerce marketplaces are information technology platforms that connect buyers and sellers. In addition, e-commerce marketplace entities cannot mandate any seller to sell any product exclusively on its platform.

4.12. A number of new measures were introduced in relation to data or cybersecurity. Brazil adopted a new law to protect personal data, whether obtained by electronic or physical means, by the public or private sector. Data transfers are allowed under a number of circumstances, including when transfers are made to countries offering adequate protection, when the regulator specifically approves the transfer, or after the data subject has consented. In the Republic of Korea, the Government now requires certain offshore IT providers to designate a local representative to comply with personal data protection rules. In Australia, a new law sets out a framework for law enforcement and national security agencies to work with the communications industry with respect to the use of data in the investigation of serious crimes, including powers to request or compel assistance from designated communications providers. Finally, at the bilateral level, Japan and the European Union recognized each other's personal data protection systems as 'essentially equivalent'. This allows personal data to flow without restrictions between the two jurisdictions.

Other Services Sectors

4.13. Some G20 economies adopted new policies in relation to transport services. Argentina simplified the regime for obtaining coastal traffic waivers that allow foreign vessels to carry out commercial activities in the Argentinian sea in the event that no Argentinian vessels are available to perform such activities. In China, foreign investors can now invest in and operate international shipping transportation, international shipping agencies, international shipping management, international shipping cargo handling, international shipping cargo warehousing, and international shipping container station and yard business in accordance with relevant laws, administrative regulations and other relevant regulations. In Brazil, the 20% limit on foreign investment in national airlines has been lifted, and full foreign capital participation is allowed.

4.14. With respect to financial services, the Kingdom of Saudi Arabia's Monetary Authority issued new rules allowing foreign insurance and reinsurance companies to establish as branches. In China, the Securities Regulatory Commission (CSRC) published a new measure aiming to encourage established foreign financial institutions to invest in domestic futures companies.

Eligible foreign investors may submit applications to the CSRC to hold up to 51% equity of domestic futures companies. The equity cap is to be entirely removed in three years.

4.15. With respect to health and medical services, a new Circular from the National Health Commission of China requires Big Data in the health care industry to be stored in the country. Where such data must be transferred abroad for business reasons, a security assessment must be carried out in accordance with the relevant laws and regulations. In the Kingdom of Saudi Arabia, the Government allowed 100% foreign ownership, operation and management of private healthcare institutions (PHI), with the exception of clinics. PHIs cover general and specialized health centres, radiology, medical laboratories, outpatient surgical facilities and supporting medial services facilities.

Services Supplied through the Movement of Natural Persons

4.16. A number of G20 economies adopted measures affecting the supply of services through the movement of natural persons, most of which are trade-facilitating. For example, in India, the Government increased the permitted duration of stay under the electronic Business Visa to 180 days, up from 60 days. Multiple visits are now allowed in a calendar year, and foreign nationals holding an employment visa are now able to extend it for up to ten years, up from five. Japan introduced two new work visas for foreigners temporarily entering Japan, in sectors where skill shortages exist. Canada made permanent its Global Talent Stream programme. The programme provides for a streamlined Labour Market Impact Assessment and expedited work permit processing for highly-skilled foreign workers in STEM-related professions (science, technology, engineering, math). The Kingdom of Saudi Arabia no longer requires labour market tests before a block visa request is submitted by employers seeking to hire foreign nationals. In France, since April 2019, foreign nationals are now required to be employed by their home employer for at least six months prior to transfer to France under the Intra Corporate Transferee (ICT) Permit, up from three months previously.

Air Services Agreements

4.17. Table 4.1 presents information on air services agreements (ASAs) concluded or amended during the period under review by G20 economies. These include both new ASAs and revisions of pre-existing ones. As far as can be assessed from available sources, the vast majority of these ASAs provides for more liberal access conditions than was previously the case.

Table 4.1 Air services agreements¹ concluded or amended by G20 members during the reporting period (October 2018-May 2019)

Parties		Date of signature	Source
Jamaica	EU (Slovenia)	17.10.2018	http://www.jamaicaobserver.com/latestnews/Jamaica_to_sign_new_air-service_agreements?profile=1228
Jamaica	South Africa	17.10.2018	http://www.jamaicaobserver.com/latestnews/Jamaica_to_sign_new_air-service_agreements?profile=1228
Korea, Republic of	EU (Italy)	18.10.2018	http://www.arirang.co.kr/News/News_View.asp?nseq=225078
Kuwait	EU (Cyprus)	25.11.2018	https://www.kuna.net.kw/ArticleDetails.aspx?id=2761136&language=en
Macao, China	China	27.11.2018	https://macaudailytimes.com.mo/mainland-macau-ink-new-agreement-on-air-transport.html
Australia	Fiji	01.10.2018	https://www.radionz.co.nz/international/pacific-news/377024/qantas-to-increase-fiji-flights
EU (United Kingdom)	United States	28.11.2018	https://www.gov.uk/government/news/uk-and-us-agree-new-open-skies-arrangements
EU (United Kingdom)	Canada	02.12.2018	https://www.atn.aero/#/article.html?id=70624
Congo	United States	10.12.2018	https://www.theeastafrican.co.ke/business/Congo-US-sign-air-transport-agreement/2560-4888688-14tdiipz/index.html

¹ The term "air services agreements" is used here to refer to air services agreements, memoranda of understanding, exchange of notes, and other such relevant instruments.

Parties		Date of signature	Source
Ghana	Canada	13.12.2018	https://www.ghanaweb.com/GhanaHomePage/business/Government-eyes-aviation-gateway-as-Ghana-signs-deals-with-Canada-et-al-708488
Kenya	Turkey	15.12.2018	kenya-concludes-highest-number-of-air-service-agreements
Kenya	EU (Greece)	15.12.2018	kenya-concludes-highest-number-of-air-service-agreements
Kenya	EU (Finland)	15.12.2018	kenya-concludes-highest-number-of-air-service-agreements
Seychelles	EU (Greece)	14.12.2018	http://www.seychellesnewsagency.com/articles/10202/Eyeing+new+tourism+and+trade%2C+Seychelles+signs+air+agreements+with++countries
Seychelles	Saudi Arabia	14.12.2018	http://www.seychellesnewsagency.com/articles/10202/Eyeing+new+tourism+and+trade%2C+Seychelles+signs+air+agreements+with++countries
Seychelles	Turkey	14.12.2018	http://www.seychellesnewsagency.com/articles/10202/Eyeing+new+tourism+and+trade%2C+Seychelles+signs+air+agreements+with++countries
EU (United Kingdom)	Switzerland	17.12.2018	https://www.reuters.com/article/us-britain-eu-air/uk-signs-air-service-deal-with-switzerland-for-post-brex-it-flights-idUSKBN1OG00E
Nigeria	India	16.01.2019	https://www.dailytrust.com.ng/fg-signs-air-agreement-with-india.html
Cambodia	EU (Finland)	30.01.2019	https://www.khmertimeskh.com/50574394/air-deal-linked-with-finland/
Kazakhstan	United States	05.02.2019	https://www.aviationpros.com/airlines/news/21056146/kazakhstan-announces-time-of-signing-open-sky-agreement-with-us
Qatar	EU	06.02.2019	https://www.logupdateafrica.com/eu-qatar-ink-new-air-service-agreements-to-strengthen-ties-aviation
Ghana	EU (Malta)	26.03.2019	https://www.ghanaweb.com/GhanaHomePage/NewsArchive/Ghana-signs-Air-Services-Visa-waiver-agreements-with-Malta-733255
Saudi Arabia	Georgia	02.04.2019	https://aaco.org/media-center/news/aeropolitical/saudi-arabia-and-georgia-sign-air-service-agreement

Source: WTO Secretariat.

5 POLICY DEVELOPMENTS IN TRADE AND INTELLECTUAL PROPERTY

5.1. During the period under review, G20 economies continued to modernize and fine-tune their IP legislation and administration (Box 5.1).

Box 5.1 Domestic legislation and administrative developments

Australia^a

Between August 2018 and February 2019, several amendments to IP legislation entered into force. These covered measures to: ensure that the safe harbour scheme procedures and requirements apply to new service providers in the academic, archiving, disability and cultural sectors; allowing the judiciary to issue injunctions to block access by users in Australia to overseas online locations that facilitate large-scale infringement of copyright; extend protection for secondary uses of sound recordings in Australia to recordings from another 32 countries which provide equivalent protection to Australian sound recordings; clarify parallel importation of trademarked goods; provide time-periods for non-use of trademark actions; improve the way derived variety declarations can be made for plant breeders' rights; remove the requirement for patentees to provide certain data related to pharmaceutical patents with an extended term; and measures to streamline and harmonize the administration on the IP system. In April 2019, a report on the Review of the Code of Conduct for Copyright Collecting Societies was issued.

China^b

The amended *Patent Agency Regulations* entered into force on 1 March 2019. They improve the provisions regarding qualifications for practitioners, a code of conduct and services supervision.

Indonesia^c

On 28 December 2018, the *Regulation on Patent Applications* came into force. It establishes technical and administrative procedures for obtaining patent protection and accommodates applications for patent protection under the Patent Cooperation Treaty. The *Regulation on Procedures for Granting Compulsory Licenses* also entered into force on the same day.

a Submission by Australia for the WTO Trade Monitoring Report and Notifications to the TRIPS Council.

b Submission by China for the WTO Trade Monitoring Report.

c Submission by Indonesia for the WTO Trade Monitoring Report.

Source: WTO Secretariat.

5.2. The link between intellectual property (IP) and trade was further strengthened, as G20 economies continued to implement and negotiate bilateral and regional trade agreements containing substantive IP provisions. These agreements have further developed the interconnection between IP and trade in goods and services, and the links of the IP system to other normative areas, such as investment, e-commerce, and competition policy. During the review period, the Comprehensive and Progressing Agreement for Trans-Pacific Partnership (CPTPP) came into force in December 2018; the domestic procedures for the ratification of the United States-Mexico-Canada Agreement (USMCA) were underway; and significant IP issues were reportedly under consideration during the re-negotiation of the Association Agreement between Mexico and the European Union¹, as well as in the continuing negotiations in the framework of the Pacific Alliance² and between MERCOSUR and the European Union.³

5.3. G20 economies were also active signing cooperation agreements between IP offices. The Kingdom of Saudi Arabia signed a patent prosecution highway agreement with the Korean Intellectual Property Office and a Memorandum of Understanding with the China National Intellectual Property Administration.⁴

¹ Viewed at: <http://ec.europa.eu/trade/policy/in-focus/eu-mexico-trade-agreement>.

² Viewed at: <https://alianzapacifico.net/inicio-en-chile-la-tercera-ronda-de-negociaciones-con-los-candidatos-a-estado-asociado>.

³ Viewed at: <https://www.cancilleria.gob.ar/es/actualidad/noticias/ronda-de-negociaciones-mercosur-ue>.

⁴ Submission of the Kingdom of Saudi Arabia to the WTO Trade Monitoring Report.

TRIPS Council

5.4. During the review period, the TRIPS Council met on two occasions (8-9 November 2018 and 13 February 2019). G20 economies actively engaged in discussions regarding non-violation and situation complaints under the TRIPS Agreement. At those meetings, discussions showed signs that some delegations were willing to discuss specific examples of possible conditions for such complaints. However, other delegations maintained their established positions. G20 economies also shared their national experiences and engaged in policy discussions on two themes, namely IP and Innovation and IP and the Public Interest. Specific agenda items concerned IP and New Businesses⁵; Public-Private Collaborations in Innovation⁶; and Promoting Public Health through Competition Law and Policy.⁷

5.5. During the review period, Canada, Japan and the United States notified legislative measures under Article 63.2. They made a brief introduction of these measures at the Council's meetings.

TRIPS-related Discussions in Trade Policy Reviews

5.6. During the review period, the only Trade Policy Review of a G20 economy was that of the United States. It covered discussions on a wide range of IP issues with a bearing on trade policy.

⁵ Document IP/C/W/648 and addendum.

⁶ Document IP/C/W/652 and addendum.

⁷ Documents IP/C/W/649 and addenda; and IP/C/W/651.

ANNEX 1 - MEASURES FACILITATING TRADE¹

(MID-OCTOBER 2018 TO MID-MAY 2019)

Confirmed information²

Measure	Source/Date	Status
Argentina		
Amendments introduced to the list of informatics and telecommunications goods (182 tariff lines at 8-digit level in NCM Chapters 74; 84; 85; 90), granting the elimination of import tariffs	Permanent Delegation of Argentina to the WTO (22 May 2019) and Decreto No. 973/2018 – Nomenclatura Común del Mercosur (30 October 2018)	Effective 1 November 2018
Trade facilitation measure for importers through the implementation of the " <i>Documento de Tránsito Sanitario Vegetal Electronico (DTV-e)</i> "	Permanent Delegation of Argentina to the WTO (22 May 2019) and Resolución General Conjunta 4297, Administración Federal de Ingresos Públicos y Servicio Nacional de Sanidad y Calidad Agroalimentaria (24 August 2018)	Effective 25 December 2018
Trade facilitation measure for exporters through the implementation of the " <i>Documento de Tránsito Sanitario Vegetal Electronico (DTV-e)</i> "	Permanent Delegation of Argentina to the WTO (22 May 2019) and Resolución General Conjunta 4297, Administración Federal de Ingresos Públicos y Servicio Nacional de Sanidad y Calidad Agroalimentaria (24 August 2018)	Effective 25 December 2018
Temporary elimination of import tariffs on certain parts and accessories of motorcycles not locally produced in Mercosur, destined for transformation by local industries (8 tariff lines at 8-digit level in NCM 8703 and 8711)	Permanent Delegation of Argentina to the WTO (22 May 2019) and Decreto No. 81/2019 – Nomenclatura Común del Mercosur (24 January 2019)	Effective until 31 December 2023
Simplification of administrative customs procedures (i.e. elimination of export controls, registered exporter rules and selected sea ports) on exports of raw hides and skins of bovine or equine animals (fresh, or salted, dried, limed, pickled or otherwise preserved, but not tanned, parchment-dressed or further prepared), whether or not dehaired or split (NCM 4101)	Permanent Delegation of Argentina to the WTO (22 May 2019) and Resolución No. 4454/2019, Administración Federal de Ingresos Públicos (1 April 2019)	Effective 5 April 2019
Brazil		
Temporary reduction (to 2%) of import tariffs on 6-hexanelactam (NCM 2933.71.00), under an import quota of 2,000 tonnes (effective 16 October 2018); on poly(ethylene terephthalate)	Permanent Delegation of Brazil to the WTO (22 May 2019), Camex Resolution Nos. 75/2018 (15 October	Effective: see individual dates in measure

¹ The inclusion of any measure in this Annex implies no judgement by the WTO Secretariat on whether or not such measure, or its intent, is protectionist in nature. Moreover, nothing in the Annex implies any judgement, either direct or indirect, on the consistency of any measure referred to with the provisions of any WTO agreement.

² This Section includes information which has either been provided by the Member concerned or has been confirmed at the request of the Secretariat.

Measure	Source/Date	Status
(NCM 3907.61.00), under an import quota of 1,000 tonnes (effective 30 December 2018); on soda lye or liquid soda in aqueous solution (NCM 2815.12.00), under an import quota of 88,000 tonnes (effective 28 December 2018 to 27 December 2019); on certain printing inks (NCM 3215.19.00), under an import quota of 720 tonnes (effective 30 December 2018 to 29 December 2019); on jute (NCM 5303.10.10), under an import quota of 7,000 tonnes (effective 28 December 2018 to 27 December 2019); on polycarbonates (NCM 3907.40.90), under an import quota of 35,040 tonnes (effective 1 January 2019 to 31 December 2019); on black printing ink (NCM 3215.11.00), under an import quota of 455 tonnes (effective 23 January 2019 to 22 January 2020); on disodium sulphate (NCM 2833.11.10), under an import quota of 910,000 tonnes (effective 31 January 2019 to 30 January 2020); on polyamide-6 (NCM 3908.10.24), under an import quota of 14,200 tonnes (effective 10 December 2018 to 9 December 2019); on sulphates (<i>de cromo</i>) (NCM 2833.29.60), under an import quota of 500,000 tonnes (effective 10 December 2018 to 9 December 2019); on chemical preparations for photographic uses (NCM 3707.90.21), under an import quota of 1,700 tonnes (effective 7 December 2018 to 6 December 2019); on acrylic polymers in primary forms (NCM 3906.90.49), under an import quota of 800 tonnes (effective 7 December 2018 to 6 December 2019); on p-Xylene (NCM 2902.43.00), under an import quota of 290,000 tonnes (effective 22 December 2018 to 21 December 2019); on malt, not roasted (NCM 1107.10.10), under an import quota of 400,000 tonnes (effective 22 December 2018 to 21 December 2020); on elastomeric of high tenacity yarn (NCM 5402.47.10), under an import quota of 2,200 tonnes (effective 2 January 2019 to 1 January 2020); on aluminium foil, rolled but not further worked (NCM 7607.11.90), under an import quota of 2,137 tonnes (effective 1 February 2019 to 31 January 2020); on dimethylamine (NCM 2921.11.21), under an import quota of 12,000 tonnes (effective 23 January 2019 to 22 January 2020); and on sardines (NCM 0303.53.00), under an import quota of 120,000 tonnes (effective 8 February 2019 to 8 February 2020)	2018), 87/2018 (19 November 2018), 91/2018 (5 December 2018), 98/2018 (7 December 2018) and 105/2018 (27 December 2018); Secex Portaria Nos. 67/2018, 68/2018, 69/2018, 70/2018, 71/2018 (13 December 2018), 75/2018, 76/2018, 77/2018 and 78/2018 (28 December 2018); and Secint Portaria No. 154 (6 February 2019)	
Temporary elimination of import tariffs on casein (<i>paracaseína</i>), styrene-acrylonitrile (SAN) copolymers, acrylonitrile-butadiene-styrene (ABS) copolymers, electric conductors for a voltage exceeding 1,000 V, and on certain amusement park structures (NCM 3501.10.00; 3903.20.00; 3903.30.20; 8544.60.00; 9508.90.90) (effective 10 December 2018). Elimination of import tariffs on certain miscellaneous chemical products (NCM 3808.69.90) (effective 17 October 2018)	Permanent Delegation of Brazil to the WTO (22 May 2019) and Camex Resolution Nos. 77/2018 (17 October 2018) and 98/2018 (7 December 2018)	Effective: see individual dates in measure
Temporary elimination of import tariffs on certain	Permanent Delegation of	Effective

Measure	Source/Date	Status
vaccines for humans (<i>hepatite B</i>), under an import quota of 24 million doses; on certain vaccines for humans (<i>raiva</i>), under an import quota of 3 million doses; on certain vaccines for humans (<i>hepatite A</i>), under an import quota of 4.5 million doses; on certain vaccines for humans (<i>difteria, tétano e pertussis, acelular</i>), under an import quota of 5 million doses; and on certain vaccines for humans (<i>virus do papiloma humano tetravalente recombinante</i>), under an import quota of 10 million doses (NCM 3002.20.23; 3002.20.27; 3002.20.29)	Brazil to the WTO (22 May 2019), Camex Resolution Nos. 75/2018 (15 October 2018) and 78/2018 (23 October 2018), and Secex Portaria Nos. 75/2018, 76/2018, 77/2018 and 78/2018 (28 December 2018)	16 October 2018
Elimination of the temporary increase of import tariffs on gypsum boards (NCM 6809.11.00)	Permanent Delegation of Brazil to the WTO (22 May 2019) and Camex Resolution No. 101/2018 (17 December 2018)	Effective 17 December 2018
Temporary elimination of import tariffs on 720 capital goods tariff lines, and 49 informatics and telecommunications goods tariff lines (NCM Chapters 84; 85; 90; 94), through the "ex-out" regime (mechanism designed to temporarily reduce import tariffs on capital goods and informatics and telecommunications equipment not locally produced)	Permanent Delegation of Brazil to the WTO (22 May 2019), Camex Resolution Nos. 85/2018, 86/2018 (9 November 2018), 95/2018 and 96/2018 (7 December 2018)	Effective until 30 June 2020
Temporary elimination of import tariffs on 506 capital goods tariff lines, and 33 informatics and telecommunications goods tariff lines (NCM Chapters 84; 85; 86; 87; 89; 90; 94), through the "ex-out" regime	Permanent Delegation of Brazil to the WTO (22 May 2019) and Secint Portaria Nos. 219/2019 and 220/2019 (25 February 2019)	Effective until 30 December 2020
Decrease of import tariffs (from 6% to 2%) on shelled hazelnuts (NCM 0802.22.00); (from 14% to 2%) on photographic film in rolls for x-ray (NCM 3702.10.20); (from 16% to 2%) on parts and accessories for pianos (NCM 9209.91.00); and (from 12% to 2%) on esters of acrylic acid (NCM 2916.12.20); and on viscose rayon staple fibres (NCM 5504.10.00)	Permanent Delegation of Brazil to the WTO (22 May 2019) and Camex Resolution No. 58/2018 (31 August 2018)	Effective 1 January 2019
Decrease of import tariffs (to 2%) on certain inorganic and organic chemicals (49 tariff lines at 8-digit level in NCM Chapters 28 and 29)	Permanent Delegation of Brazil to the WTO (22 May 2019) and Secint Portaria No. 241/2019 (20 March 2019)	Effective 29 March 2019
Temporary reduction of import tariffs (to 2%) on vinyl chloride-vinyl acetate copolymers (NCM 3904.30.00), under an import quota of 6,000 tonnes	Permanent Delegation of Brazil to the WTO (22 May 2019), Secint Portaria No. 390/2019 (6 May 2019) and Secex Portaria No. 12/2019 (9 May 2019)	Effective 10 May 2019 to 9 May 2020
China		
Reduction of import tariffs on certain products (1,585 tariff lines at 8-digit level in HS Chapters 03; 13; 15; 20; 21; 25; 27; 28; 29; 30; 37; 40; 41; 42; 44; 45; 48; 49; 50; 51; 52; 53; 54; 55; 56; 58; 59; 60; 68; 69; 70; 71; 72; 73; 74; 76; 81; 82; 83; 84; 85; 86; 87; 89; 90; 92; 94; 96)	Permanent Delegation of China to the WTO (23 April 2019) and Customs Tariff Commission Announcement No. 9/2018 on reduction of import tariffs for certain commodities. Viewed at: http://gss.mof.gov.cn/zhen gwuxinxi/zhengcefabu/201	Effective 1 November 2018

Measure	Source/Date	Status
VAT rebate rates were increased on exports of certain products, e.g. (to 16%) on photographic paper and film, plastics, bamboo floor coverings, woven rattan, tempered safety glass and lamps; (to 13%) on lubricants, aircraft tyres, carbon fibre and certain metal products; and (to 10%) on certain agricultural products, bricks, tiles and glass fibre	809/P02018093065086492 2349.pdf Permanent Delegation of China to the WTO (22 May 2019)	Effective 1 November 2018
Reduction of export duties on certain products, e.g. bones and horn-cores, zinc ores and concentrates, tin ores and concentrates, phosphorus, benzene, iron and steel, copper and articles thereof, nickel and articles thereof, aluminium and articles thereof, zinc and articles thereof, and unwrought antimony (HS 0506; 2608; 2609; 2804; 2902; 7201; 7202; 7402; 7403; 7404; 7407; 7408; 7409; 7502; 7508; 7601; 7602; 7604; 7605; 7606; 7901; 8110)	Permanent Delegation of China to the WTO (22 May 2019)	Effective 1 January 2019
Imposition of interim tariffs, resulting in the temporary reduction of import tariffs on certain products, e.g. live animals; fish and crustaceans; dairy produce; products of animal origin; edible fruits and nuts; oil seeds and oleaginous fruits; vegetable saps and extracts; vegetable products; animal or vegetable fats and oils; cocoa and cocoa preparations; preparations of cereals, flour, starch or milk; miscellaneous edible preparations; beverages; residues and waste from food industries; tobacco and manufactured tobacco; salt, earths and stone, lime and cement; mineral fuels and oils; inorganic and organic chemicals; pharmaceutical products; fertilizers; tanning or dyeing extracts; perfumery; soap and organic surface-active agents; albuminoidal substances; photographic or cinematographic goods; miscellaneous chemical products; plastics and articles thereof; rubber and articles thereof; raw hides and skins; furskins and artificial fur; wood and articles of wood; cork and articles of cork; paper and paperboard; printed books; cotton; other vegetable textile fibres; wadding; articles of apparel and clothing accessories; articles of stone, plaster, and cement; ceramic products; glass and glassware; precious or semi-precious stones; iron and steel; copper and articles thereof; nickel and articles thereof; other base metals; tools of base metals; machinery and mechanical appliances; electrical machinery; vehicles; instruments, parts and accessories thereof; and miscellaneous manufactured articles (HS Chapters 01; 03; 04; 05; 08; 12; 13; 14; 15; 18; 19; 21; 22; 23; 24; 25; 27; 28; 29; 30; 31; 32; 33; 34; 35; 37; 38; 39; 40; 41; 43; 44; 45; 48; 49; 52; 53; 56; 61; 62; 63; 68; 69; 70; 71; 72; 74; 75; 81; 82; 84; 85; 87; 90; 91; 92; 96)	Permanent Delegation of China to the WTO (22 May 2019) and Announcement No. 65/2018 of the Customs Tariff Commission	Effective 1 January 2019

Measure	Source/Date	Status
Suspension of the imposition of additional tariffs on imports of certain vehicles, and parts and accessories thereof (211 tariff lines at 8-digit level, in HS Chapter 87), from the United States	Permanent Delegation of China to the WTO (22 May 2019)	Effective from 1 January 2019 to 31 March 2019. On 1 April 2019, the suspension was extended
Reduction of VAT (to 3%) on certain imported pharmaceutical products for rare diseases (HS 2930; 2933; 2934; 2935; 3002; 3004)	Permanent Delegation of China to the WTO (22 May 2019)	Effective 1 March 2019
India		
Amendments introduced to the import policy of aviation gasoline (HS 2710.12.19), resulting in an import liberalization	Permanent Delegation of India to the WTO (24 May 2019) and Notification No. 51/2015-2020, Ministry of Commerce and Industry – Department of Commerce (8 January 2019)	Effective 8 January 2019
Reduction of import tariffs on electrically operated vehicles and motorcycles (HS 8702; 8703; 8704; 8711), under certain conditions	Permanent Delegation of India to the WTO (24 May 2019) and Notification No. 3/2019-Customs, Ministry of Finance – Department of Revenue (29 January 2019)	Effective 30 January 2019
Indonesia		
Elimination of import tariffs on certain products, e.g. floor coverings of plastic, new pneumatic tyres, articles of iron and steel, machinery and mechanical appliances, electrical machinery and equipment, and paper and paperboard (HS Chapters 39; 40; 44; 48; 72; 73; 76; 84; 85; 90; 94), imported for specific industrial sectors	Permanent Delegation of Indonesia to the WTO (24 May 2019) and Regulation No. 209/PMK.010/2018 – Ministry of Finance (31 December 2018)	Effective 1 January 2019
Japan		
Elimination of import tariffs on naphthols and their salts (HS 2907.15); vinylene carbonate, fluoroethylene carbonate, ethyl methyl carbonate, propylene carbonate and diethyl carbonate (HS 2920.90); hexamethylenediamine and its salts (HS 2921.22); crystal violet lactone (HS 2932.20); bio-polyethylene (HS 3901.10; 3901.20; 3901.40; 3901.90); and polytrimethylene terephthalate (HS 3907.99)	Permanent Delegation of Japan to the WTO (15 May 2019)	Effective 1 April 2019
Mexico		
Extension of the temporary elimination of import tariffs on meat of swine, chilled or frozen (HS 0203), under import quotas (from 28 December 2018 to 31 January 2019: 91,543 tonnes; from 1 February 2019 to 31 March 2019: 157,179 tonnes; and from 1 April 2019 to 30 June 2019: 240,000 tonnes)	Permanent Delegation of Mexico to the WTO (24 May 2019) and Diarios Oficiales de la Federación (Official Journals), 28 December 2018, 29 January 2019 and 22 March 2019	Effective 28 December 2018 to 30 June 2019

Measure	Source/Date	Status
Russian Federation (for Eurasian Economic Union)		
Temporary elimination of import tariffs (from 5%) on aromatic ethers and their halogenated, sulphonated, nitrated or nitrosated derivatives; monobutyl ethers of ethylene glycol or of diethylene glycol; cyclic polymers of aldehydes; certain aromatic monoamines and their derivatives; organic derivatives of hydrazine or of hydroxylamine; organo-sulphur compounds; and sulphonamides, for the production of plant protection chemicals (effective 22 October 2018 to 31 December 2020); (from 3%) on quaternary ammonium salts and hydroxides; and lecithins and other phosphoaminolipids, whether or not chemically defined, for the production of plant protection chemicals (effective 22 October 2018 to 31 December 2020); (from 8%) on electrodes of a kind used for furnaces (effective 23 December 2018 to 31 December 2019); (from 5%) on latex for the manufacture of carpets (effective 23 December 2018 to 31 December 2021); (from 6.5%) on plastics for the manufacture of wallpapers (effective 20 December 2018 to 31 December 2020); (from 8%) on fertilized fish eggs (effective 13 January 2019 to 28 February 2022); (from 5%) on new rubber pneumatic tyres for bicycles; and certain parts and accessories for bicycles (effective 27 January 2019 to 31 August 2020); (from 10%) on rubber inner tubes of a kind used on bicycles (effective 27 January 2019 to 31 August 2020); (from 15%) on iron or steel roller chain for the manufacture of bicycles (effective 27 January 2019 to 31 August 2020); (from 10%) on certain fish and crustaceans (effective 28 February 2019 to 28 February 2022); (from 5%) on certain polypropylene yarn, multiple (folded) or cabled for the manufacture of carpets (effective 23 March 2019 to 29 February 2020); on certain electrodes (effective 24 April 2019 to 30 April 2020); and on prepared binders for foundry moulds or cores; and chemical products and preparations of the chemical or allied industries (including those consisting of mixtures of natural products) (effective 18 November 2018 to 31 December 2020). Temporary reduction (from 12.5% to 5%) of import tariffs on certain electrodes (effective 24 April 2019 to 30 April 2020) (HS 2909.30.90; 2909.43.00; 2912.50.00; 2921.49.00; 2928.00.90; 2930.90.95; 2935.90.90; 2923.90.00; 8545.11.00; 4002.11.00; 4011.50.00; 8714.93.00; 8714.94.20; 8714.96.00; 8714.96.10; 8714.99.50; 8714.99.90; 4013.20.00; 7315.11.10; 0301.91.90; 0301.99.11; 5402.63.00; 8545.19.00; 8545.90.90; 3824.99.93)	Permanent Delegation of the Russian Federation to the WTO (27 May 2019)	Effective: see individual dates in measure
Extension of the temporary elimination of import tariffs on engines of a kind used for the propulsion of certain vehicles (HS 8408.20.99) (effective 9 November 2018 to 30 September	Permanent Delegation of the Russian Federation to the WTO (27 May 2019)	Effective: see individual dates in measure

Measure	Source/Date	Status
2019), and on ground natural calcium phosphates, natural aluminium calcium phosphates and phosphatic chalk (HS 2510.20.00) (effective 13 January 2019 to 4 January 2021)		
Turkey		
Elimination of import tariffs (from 4%) on sesamum seeds for sowing (effective 31 October 2018); (from 10%) on raw sesamum seeds (effective 31 October 2018); and (from 20%) on cocoa shells, husks, skins and other cocoa waste (effective 1 January 2019). Reduction of import tariffs (from 23.4% to 10%) on hulled sesamum seeds (effective 31 October 2018); and (from 29.8% to 15%) on sunglasses (effective 7 December 2018) (HS 1207.40.10; 1207.40.90; 1802.00.00; 9003.90.00)	Permanent Delegation of Turkey to the WTO (24 May 2019)	Effective: see individual dates in measure
Temporary elimination of import tariffs (from 49.5%) on onions (HS 0703.10.19) (originally effective from 15 January 2019 to 31 March 2019). On 7 April 2019, the elimination of import tariffs was extended until 30 April 2019	Permanent Delegation of Turkey to the WTO (24 May 2019)	Effective: see individual dates in measure

ANNEX 2 - TRADE REMEDIES¹

(MID-OCTOBER 2018 to MID-MAY 2019)

Confirmed information²

Measure	Source/Date	Status
Argentina		
Termination on 24 October 2018 of anti-dumping duties on imports of poly (ethylene terephthalate) granules "PET" (NCM 3907.60.00) from Chinese Taipei and Thailand (investigation initiated on 25 April 2012 and definitive duty imposed on 25 October 2013)	WTO document G/ADP/N/322/ARG, 18 March 2019	
Initiation on 6 December 2018 of anti-dumping investigation on imports of fibreboard of wood obtained through the wet production process, of a density of 0.8 g/cm ³ or more, but less than 1.2 g/cm ³ , not surface covered (NCM 4411.92.10; 4411.92.90; 4411.93.10; 4411.93.90) from Brazil	Permanent Delegation of Argentina to the WTO (22 May 2019) and Resolución No. 122/2018, Ministerio de Producción y Trabajo, Secretaría de Comercio (4 December 2018)	
Initiation on 19 December 2018 of anti-dumping investigation on imports of steel wheels of a kind used on buses, lorries, trailers or semi-trailers (NCM 8708.70; 8708.99; 8716.90.90) from China	WTO document G/ADP/N/322/ARG, 18 March 2019	
Initiation on 25 February 2019 of anti-dumping investigation on imports of mixtures containing perfluorocarbons (PFCs) or hydrofluorocarbons (HFCs), but not containing chlorofluorocarbons (CFCs) or hydrochlorofluorocarbons (HCFCs) (NCM 3824.78.10; 3824.78.90) from China	Permanent Delegation of Argentina to the WTO (22 May 2019) and Resolución No. 7/2019, Ministerio de Producción y Trabajo, Secretaría de Comercio Exterior (21 February 2019)	
Initiation on 25 February 2019 of anti-dumping investigation on imports of aluminium sheets of a thickness exceeding 0.2 mm (NCM 7606.91.00; 7606.92.00) from China	Permanent Delegation of Argentina to the WTO (22 May 2019) and Resolución No. 8/2019, Ministerio de Producción y Trabajo, Secretaría de Comercio Exterior (21 February 2019)	
Initiation on 8 March 2019 of anti-dumping investigation on imports of certain aluminium foil (NCM 7607.11.90) from China	Permanent Delegation of Argentina to the WTO (22 May 2019) and Resolución No. 17/2019, Ministerio de Producción y Trabajo, Secretaría de Comercio Exterior (6 March 2019)	
Initiation on 17 April 2019 of anti-dumping investigation on imports of mechanical appliances (whether or not hand-operated) for projecting, dispersing or spraying liquids or powders; fire extinguishers, whether or not charged; spray guns and similar appliances; and steam or sand blasting machines and similar jet projecting machines (NCM 8424.89.90; 8479.89.99) from China	Permanent Delegation of Argentina to the WTO (22 May 2019) and Resolución No. 39/2019, Ministerio de Producción y Trabajo, Secretaría de Comercio Exterior (15 April 2019)	

¹ The inclusion of any measure in this Annex implies no judgement by the WTO Secretariat on whether or not such measure, or its intent, is protectionist in nature. Moreover, nothing in the Annex implies any judgement, either direct or indirect, on the consistency of any measure referred to with the provisions of any WTO agreement.

² This Section includes information which has either been provided by the Member concerned or has been confirmed at the request of the Secretariat.

Measure	Source/Date	Status
Initiation on 23 April 2019 of anti-dumping investigation on imports of poly(ethylene terephthalate) having a viscosity number of 78 ml/g or higher (NCM 3907.61.00) from Oman	Permanent Delegation of Argentina to the WTO (22 May 2019) and Resolución No. 43/2019, Ministerio de Producción y Trabajo, Secretaría de Comercio Exterior (22 April 2019)	
Termination on 23 April 2019 (without measure) of anti-dumping investigation on imports of vacuum cleaners (NCM 8508.11.00; 8508.19.00) from China (initiated on 7 November 2017)	Permanent Delegation of Argentina to the WTO (22 May 2019) and Resolución No. 42/2019, Ministerio de Producción y Trabajo, Secretaría de Comercio Exterior (22 April 2019)	
Initiation on 26 April 2019 of anti-dumping investigation on imports of machines and apparatus for arc (including plasma arc) welding of metals (NCM 8515.31.90; 8515.39.00) from China	Permanent Delegation of Argentina to the WTO (22 May 2019) and Resolución No. 45/2019, Ministerio de Producción y Trabajo, Secretaría de Comercio Exterior (24 April 2019)	
Initiation on 7 May 2019 of anti-dumping investigation on imports of tubes of aluminium (NCM 7608.10.00; 7608.20.90) from Brazil and China	Permanent Delegation of Argentina to the WTO (22 May 2019) and Resolución No. 48/2019, Ministerio de Producción y Trabajo, Secretaría de Comercio Exterior (6 May 2019)	
Australia		
Initiation on 16 November 2018 of anti-dumping investigation on imports of steel reinforcing bar (HS 7213.10.00; 7214.20.00; 7227.90.10; 7227.90.90; 7228.30.10; 7228.30.90; 7228.60.10) from Turkey	WTO document G/ADP/N/322/AUS, 15 April 2019; Permanent Delegation of Australia to the WTO (23 April 2019) and Australia Customs Dumping Notice No. 2019/7 (23 May 2019)	Provisional duty imposed on 15 January 2019
Initiation on 16 November 2018 of countervailing investigation on imports of steel reinforcing bar (HS 7213.10.00; 7214.20.00; 7227.90.10; 7227.90.90; 7228.30.10; 7228.30.90; 7228.60.10) from Turkey	WTO document G/SCM/N/342/AUS, 14 March 2019	
Termination on 22 November 2018 of anti-dumping duties on imports of aluminium road wheels (ARWs) for passenger motor vehicles, including wheels used for caravans and trailers, in diameters ranging from 13 to 22 inches (HS 8708.70.91; 8708.70.99; 8716.90.00) from China (investigation initiated on 7 November 2011. Provisional and definitive duties imposed on 31 May and 5 July 2012, respectively)	WTO document G/ADP/N/322/AUS, 15 April 2019	
Termination on 22 November 2018 of countervailing duties on imports of aluminium road wheels (ARWs) for passenger motor vehicles, including wheels used for caravans and trailers, in diameters ranging from 13 to 22 inches (HS 8708.70.91; 8708.70.99; 8716.90.00) from China (investigation initiated on 7 November 2011. Provisional and definitive duties imposed on 31 May and 5 July 2012, respectively)	WTO document G/SCM/N/342/AUS, 14 March 2019	
Termination on 19 December 2018 of anti-dumping duties on imports of hot-rolled plate steel (HS 7208.40.00; 7208.51.00; 7208.52.00; 7225.40.00) from China; Indonesia; Japan; and Korea, Rep. of (investigation initiated on 12 February 2013. Provisional and definitive duties imposed on 19 July and 19 December 2013, respectively)	WTO document G/ADP/N/322/AUS, 15 April 2019	
Termination on 19 December 2018 of countervailing	WTO document	

Measure	Source/Date	Status
duties on imports of hot-rolled plate steel (HS 7208.40.00; 7208.51.00; 7208.52.00; 7225.40.00) from China (investigation initiated on 12 February 2013 and definitive duty imposed on 19 December 2013)	G/SCM/N/342/AUS, 14 March 2019	
Termination on 14 January 2019 of anti-dumping duties on imports of processed dried currants (HS 0806.20) from Greece (imposed on 14 January 2009)	Permanent Delegation of Australia to the WTO (23 May 2019) and Australia Customs Dumping Notice No. 2018/158 (10 October 2018)	
Termination on 24 January 2019 (without measure) of countervailing investigation on imports of railway wheels (HS 8607.19.00) from China (initiated on 18 April 2018)	Permanent Delegation of Australia to the WTO (23 May 2019)	
Initiation on 26 February 2019 of anti-dumping investigation on imports of solid base angles (HS 7216.61.00; 7228.70.00; 7308.30.00; 7308.90.00) from China	Permanent Delegation of Australia to the WTO (23 May 2019) and Australia Customs Dumping Notice No. 2019/26 (26 February 2019)	
Termination on 15 March 2019 (without measure) of anti-dumping investigation on imports of A4 copy paper (HS 4802.56.10) from Austria (initiated on 19 March 2018)	Permanent Delegation of Australia to the WTO (23 May 2019)	
Initiation on 18 March 2019 of anti-dumping investigation on imports of power transformers (HS 8504.22.00; 8504.23.00) from China	Permanent Delegation of Australia to the WTO (23 May 2019) and Australia Customs Dumping Notice No. 2019/35 (18 March 2019)	
Termination on 18 March 2019 (without measure) of anti-dumping investigation on imports of alloy round steel bars (HS 7228.20.10; 7228.20.90; 7228.30.10; 7228.30.90; 7228.60.10; 7228.60.90) from China (investigation initiated on 10 January 2017, terminated on 25 January 2018, and resumed on 2 May 2018)	Permanent Delegation of Australia to the WTO (23 May 2019)	
Termination on 16 April 2019 of anti-dumping duties on imports of prepared or preserved tomato products (by all exporters other than Feger di Gerardo Ferraioli S.p.A. and La Doria S.p.A.) (HS 2002.10.00) from Italy (investigation initiated on 10 July 2013. Provisional and definitive duties imposed on 1 November 2013 and 16 April 2014, respectively)	Permanent Delegation of Australia to the WTO (23 May 2019) and Australia Customs Dumping Notice No. 2019/31 (16 April 2019)	
Termination on 17 April 2019 of anti-dumping duties on imports of wind towers (HS 7308.20.00; 7308.90.00; 8502.31.10; 8502.31.90) from Korea, Rep. of (investigation initiated on 28 August 2013. Provisional and definitive duties imposed on 6 December 2013 and 16 April 2014, respectively)	Permanent Delegation of Australia to the WTO (23 May 2019) and Australia Customs Dumping Notice No. 2019/33 (27 March 2019)	
Brazil		
Termination on 19 December 2018 of anti-dumping duties on imports of basic refractories (NCM 6902.10.18; 6902.10.19) from China and Mexico (investigation initiated on 2 July 2012 and definitive duty imposed on 19 December 2013)	WTO document G/ADP/N/322/BRA, 15 March 2019	
Termination on 27 December 2018 of anti-dumping duties on imports of reduced indigo blue (NCM 3204.15.90) from China and Singapore (investigation initiated on 30 October 2012 and definitive duty imposed on 27 December 2013)	WTO document G/ADP/N/322/BRA, 15 March 2019	
Termination on 27 December 2018 of anti-dumping duties on imports of reduced indigo blue (NCM 3204.15.90) from Germany (imposed on 24 March 2008)	WTO document G/ADP/N/322/BRA, 15 March 2019	

Measure	Source/Date	Status
On 19 January 2019, extension of the temporary suspension of anti-dumping duties on imports of hot-rolled steel (NCM 7208.10.00; 7208.25.00; 7208.26.10; 7208.26.90; 7208.27.10; 7208.27.90; 7208.36.10; 7208.36.90; 7208.37.00; 7208.38.10; 7208.38.90; 7208.39.10; 7208.39.90; 7208.40.00; 7208.53.00; 7208.54.00; 7208.90.00; 7225.30.00; 7225.40.90) from China and the Russian Federation (investigation initiated on 20 July 2016. Definitive duty imposed on 19 January 2018 but suspended for one year)	Permanent Delegation of Brazil to the WTO (22 May 2019) and Camex Resolution No. 97/2018 (7 December 2018)	
Termination on 6 February 2019 of anti-dumping duties on imports of milk (NCM 0402) from the European Union and New Zealand (imposed on 23 February 2001)	Permanent Delegation of Brazil to the WTO (22 May 2019) and Secex Circular No. 5/2019 (5 February 2019)	
Termination on 13 March 2019 of anti-dumping duties on imports of nylon yarns (NCM 5402.31.11; 5402.31.19; 5402.45.20) from Thailand (investigation initiated on 9 July 2012. Provisional and definitive duties imposed on 16 September 2013 and 27 December 2013, respectively)	Permanent Delegation of Brazil to the WTO (22 May 2019)	
Termination on 24 April 2019 of anti-dumping duties on imports of precipitated silicon dioxide (NCM 2811.22.10) from China (investigation initiated on 26 October 2012 and definitive duty imposed on 24 April 2014)	Permanent Delegation of Brazil to the WTO (22 May 2019) and Secex Circular No. 24/2018 (6 June 2018)	
Canada		
Termination on 18 April 2019 of anti-dumping duties on imports of nitisinone capsules (HS 3003.90.00; 3004.90.00) from Sweden (investigation initiated on 21 September 2018 and provisional duty imposed on 20 December 2018)	Permanent Delegation of Canada to the WTO (22 May 2019)	
China		
Initiation on 16 October 2018 of anti-dumping investigation on imports of vertical machining centres (HS 8457.10.10) from Japan and Chinese Taipei	WTO document G/ADP/N/322/CHN, 12 April 2019	
Termination on 1 November 2018 of anti-dumping duties on imports of solar-grade polysilicon (HS 2804.61.90) from the European Union (investigation initiated on 1 November 2012 and definitive duty imposed on 30 April 2014)	WTO document G/ADP/N/322/CHN, 12 April 2019	
Termination on 1 November 2018 of countervailing duties on imports of solar-grade polysilicon (HS 2804.61.90) from the European Union (investigation initiated on 1 November 2012 and definitive duty imposed on 30 April 2014)	WTO document G/SCM/N/342/CHN, 9 April 2019	
Initiation on 19 November 2018 of anti-dumping investigation on imports of barley (HS 1003.10.00; 1003.90.00) from Australia	WTO document G/ADP/N/322/CHN, 12 April 2019	
Initiation on 26 November 2018 of anti-dumping investigation on imports of 7-phenylacetamido-3-chloromethyl-3-cephem-4-carboxylic acidpmethoxybenzyl ester (HS 2934.99.60) from India	WTO document G/ADP/N/322/CHN, 12 April 2019	
Initiation on 26 November 2018 of countervailing investigation on imports of 7-phenylacetamido-3-chloromethyl-3-cephem-4-carboxylic acidpmethoxybenzyl ester (HS 2934.99.60) from India	WTO document G/SCM/N/342/CHN, 9 April 2019	
Initiation on 21 December 2018 of countervailing investigation on imports of barley (HS 1003.10.00; 1003.90.00) from Australia	WTO document G/SCM/N/342/CHN, 9 April 2019	
Initiation on 10 April 2019 of anti-dumping investigation on imports of methionine (HS 2930.40.00) from Japan, Malaysia and Singapore	MOFCOM Announcement No. 16/2019 (10 April 2019)	

Measure	Source/Date	Status
European Union		
Termination on 19 October 2018 of anti-dumping duties on imports of biodiesel (fatty-acid mono-alkyl esters and/or paraffinic gasoils obtained from synthesis and/or hydro-treatment, of non-fossil origin, in pure form or included in a blend) (HS 1516.20.98; 1518.00.91; 1518.00.95; 1518.00.99; 2710.19.43; 2710.19.46; 2710.19.47; 2710.20.11; 2710.20.15; 2710.20.17; 3824.90.97; 3826.00.10; 3826.00.90) from Argentina and Indonesia (investigation initiated on 29 August 2012. Provisional and definitive duties imposed on 28 May and 26 November 2013, respectively)	Council Implementing Regulation No. 2018/1570 (18 October 2018)	
Termination on 9 November 2018 of anti-dumping duties on imports of stainless steel wires "SSW" (HS 7223.00.19; 7223.00.99) from India (investigation initiated on 10 August 2012. Provisional and definitive duties imposed on 8 May and 8 November 2013, respectively)	Commission Notice 2018/C 402/06 (8 November 2018)	
Initiation on 6 December 2018 of countervailing investigation on imports of biodiesel (HS 1516.20.98; 1518.00.91; 1518.00.95; 1518.00.99; 2710.19.43; 2710.19.46; 2710.19.47; 2710.20.11; 2710.20.15; 2710.20.17; 3824.99.92; 3826.00.10; 3826.00.90) from Indonesia	WTO document G/SCM/N/342/EU, 16 April 2019	
Initiation on 15 February 2019 of anti-dumping investigation on imports of steel road wheels (HS 8708.70.10; 8708.70.99; 8716.90.90) from China	Commission Notices 2019/C 60/07 (15 February 2019) and 2019/C 111/13 (25 March 2019)	
Termination on 15 February 2019 (without measure) of anti-dumping investigation on imports of solar glass (HS 7007.19.80) from Malaysia (initiated on 23 May 2018)	Commission Implementing Decision No. 2019/266 (14 February 2019)	
Initiation on 21 February 2019 of anti-dumping investigation on imports of certain woven and/or stitched glass fibre fabrics (HS 7019.39.00; 7019.40.00; 7019.59.00; 7019.90.00) from China and Egypt	Commission Notice 2019/C 68/09 (21 February 2019)	
Termination on 1 March 2019 of anti-dumping duties on imports of electrolytic manganese dioxides (i.e. manganese dioxides produced through an electrolytic process) not heat-treated after the electrolytic process (HS 2820.10.00) from South Africa (imposed on 13 March 2008)	Commission Notice 2019/C 68/08 (21 February 2019)	
Initiation on 3 May 2019 of anti-dumping investigation on imports of continuous filament glass fibre products (HS 7019.11.00; 7019.12.00; 7019.31.00) from Bahrain and Egypt	Commission Notice 2019/C 151/05 (3 May 2019)	
Termination on 15 May 2019 of anti-dumping duties on imports of bioethanol, sometimes referred to as "fuel ethanol", i.e. ethyl alcohol produced from agricultural products, denatured or undenatured, excluding products with a water content of more than 0.3% (m/m) measured according to the EN 15376 standard, as well as ethyl alcohol produced from agricultural products, contained in blends with gasoline, with an ethyl alcohol content of more than 10% (v/v) (HS 2207.10.00; 2207.20.00; 2208.90.99; 2710.11.11; 2710.11.15; 2710.11.21; 2710.11.25; 2710.11.31; 2710.11.41; 2710.11.45; 2710.11.49; 2710.11.51; 2710.11.59; 2710.11.70; 2710.11.90; 3814.00.10; 3814.00.90; 3820.00.00; 3824.90.97) from the United States (investigation initiated on 25 November 2011 and definitive duty imposed on 22 February 2013)	Commission Implementing Regulation No. 2019/765 (14 May 2019)	

Measure	Source/Date	Status
India		
Termination on 20 October 2018 of anti-dumping duties on imports of methylene chloride (dichloromethane or methylene dichloride "MDC") (HS 2903.12.00) from Korea, Rep. of (investigation initiated on 4 April 2013. Provisional and definitive duties imposed on 21 October 2013 and 21 May 2014, respectively)	WTO document G/ADP/N/322/IND, 9 April 2019	
Termination on 23 October 2018 (without measure) of anti-dumping investigation on imports of di-methyl formamide "DMF" (HS 2924.19) from China, Germany and the Kingdom of Saudi Arabia (initiated on 22 January 2018)	WTO document G/ADP/N/322/IND, 9 April 2019	
Termination on 12 November 2018 of anti-dumping duties on imports of vitamin A palmitate-II (HS 2936.21) from China and Switzerland (imposed on 28 March 2007)	WTO document G/ADP/N/322/IND, 9 April 2019	
Termination on 25 November 2018 of anti-dumping duties on imports of caustic soda (HS 2815.11) from the Kingdom of Saudi Arabia and the United States (imposed on 26 December 2000)	WTO document G/ADP/N/322/IND, 9 April 2019	
Termination on 26 December 2018 (without measure) of anti-dumping investigation on imports of coated paper (HS 4810) from China, the European Union and the United States (initiated on 23 January 2018)	WTO document G/ADP/N/322/IND, 9 April 2019	
Termination on 30 December 2018 of anti-dumping duties on imports of phosphoric acid – technical grade and food grade (HS 2809.20) from China (imposed on 14 September 2007)	WTO document G/ADP/N/322/IND, 9 April 2019	
Termination on 15 January 2019 (without measure) of anti-dumping investigation on imports of certain epoxy resins (epoxide resins) (HS 3907.30.10; 3907.30.90) from China; the European Union; Korea, Rep. of; Chinese Taipei and Thailand (initiated on 4 April 2018)	Permanent Delegation of India to the WTO (24 May 2019) and Termination Order Case No. OI-7/2018 – Ministry of Commerce and Industry (Directorate General of Trade Remedies) (15 January 2019)	
Termination on 5 February 2019 (without measure) of countervailing investigation on imports of fluoroelastomers "FKM" (HS 3904.69.90) from China (initiated on 14 August 2018)	Permanent Delegation of India to the WTO (24 May 2019); Notification F. No. 6/21/2018-DGTR – (Case No. (CVD) 7/2018) Ministry of Commerce and Industry – Directorate General of Trade Remedies (14 August 2018); and Termination Order (5 February 2019)	
Initiation on 28 March 2019 of anti-dumping investigation on imports of chlorinated polyvinyl chloride "CPVC", whether or not further processed into compounds (HS 3904.90.00; 3904.21.10; 3904.21.90; 3904.22.10; 3904.22.90) from China and Korea, Rep. of	Permanent Delegation of India to the WTO (24 May 2019) and Notification F. No. 6/03/2019-DGTR – (Case No. (O.I.) 3/2019) Ministry of Commerce and Industry – Directorate General of Trade Remedies (28 March 2019)	
Termination on 29 March 2019 (without measure) of anti-dumping investigation on imports of ethylene vinyl acetate (EVA) sheet for solar modules (HS 3901.30; 3920.10; 3920.62; 3920.99; 3921.90) from Korea, Rep. of (initiated on 4 April 2018)	Permanent Delegation of India to the WTO (24 May 2019) and Notification No. 15/2019-Customs (ADD) – Ministry of Finance (Department of Revenue) (29 March 2019)	

Measure	Source/Date	Status
Termination on 1 April 2019 of anti-dumping duties on imports of ductile iron pipes (HS 7303.00.30; 7303.00.90) from China (imposed on 14 September 2007)	Permanent Delegation of India to the WTO (24 May 2019) and Notification F. No. 7/18/2018-DGAD – Ministry of Commerce and Industry – Directorate General of Trade Remedies (1 April 2019)	
Initiation on 2 April 2019 of anti-dumping investigation on imports of aluminium and zinc coated flat products (HS 7210.61.00; 7212.50.90; 7225.99.00; 7226.99.90; 7210.12.90; 7210.30.90; 7210.49.00; 7210.69.00; 7210.70.00; 7210.90.90; 7212.10.90; 7212.20.90; 7212.30.90; 7212.40.00; 7216.99.10; 7225.50.10; 7225.91.00; 7225.92.00; 7226.99.30) from China; Korea, Rep. of and Viet Nam	Permanent Delegation of India to the WTO (24 May 2019) and Notification F. No. 6/4/2019-DGTR – (Case No. (O.I.) 4/2019) Ministry of Commerce and Industry – Directorate General of Trade Remedies (2 April 2019)	
Termination on 16 April 2019 of anti-dumping duties on imports of paracetamol (HS 2922.29.33) from China (imposed on 6 September 2001)	Permanent Delegation of India to the WTO (24 May 2019) and Notification No. 19/2019-Customs (ADD) – Ministry of Finance (Department of Revenue) (16 April 2019)	
Indonesia		
Termination on 27 March 2019 of safeguard duties on imports of flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, clad, plated or coated with aluminium-zinc alloys, containing by weight less than 0.6% of carbon, with a thickness not exceeding 1.2 mm (HS 7210.61.11) (investigation initiated on 19 December 2012 and definitive duty imposed on 22 July 2014)	WTO document G/SG/N/10/IDN/16/Suppl.4, 17 April 2019	
Japan		
Termination on 4 March 2019 of anti-dumping duties on imports of electrolytic manganese dioxide (HS 2820.10) from South Africa and Spain (imposed on 1 September 2008)	Permanent Delegation of Japan to the WTO (15 May 2019)	
Korea, Rep. of		
Initiation on 16 October 2018 of anti-dumping investigation on imports of uncoated paper (HS 4802.56; 4802.57; 4802.62; 4802.69) from Brazil, China and Indonesia	WTO document G/ADP/N/322/KOR, 8 April 2019	
Initiation on 27 March 2019 of anti-dumping investigation on imports of glassine paper (HS 4806.40) from China, Italy, Japan and Chinese Taipei	Permanent Delegation of the Republic of Korea to the WTO (27 May 2019)	
Mexico		
Initiation on 20 December 2018 of anti-dumping investigation on imports of aluminium pressure cookers (HS 7615.10.01) from China	WTO document G/ADP/N/322/MEX, 1 March 2019	
Termination on 25 January 2019 (without measure) of anti-dumping investigation on imports of polybutadiene-styrene rubber in emulsion "SBR" (HS 4002.19.01; 4002.19.02; 4002.19.03; 4002.19.99) from Poland (initiated on 10 August 2017)	Permanent Delegation of Mexico to the WTO (24 April 2019) and Diario Oficial de la Federación (Official Journal), 25 January 2019	
Initiation on 5 April 2019 of anti-dumping investigation on imports of stainless steel flat products (HS 7219.34.01; 7219.35.01; 7220.20.02; 9802.00.01; 9802.00.02; 9802.00.03; 9802.00.07; 9802.00.10; 9802.00.13; 9802.00.19) from China and Chinese Taipei	Permanent Delegation of Mexico to the WTO (24 April 2019) and Diario Oficial de la Federación (Official Journal), 5 April 2019	
Initiation on 16 April 2019 of anti-dumping investigation on imports of wind towers (HS 8502.31.01) from China	Permanent Delegation of Mexico to the WTO (24 April 2019) and Diario Oficial de la Federación (Official Journal), 16 April 2019	

Measure	Source/Date	Status
Russian Federation (for Eurasian Economic Union)		
Initiation on 1 March 2019 of safeguard investigation on imports of microwave ovens (HS 8516.50.00)	WTO document G/SG/N/9/RUS/1, 6 May 2019	Terminated on 18 April 2019 (without measure)
Initiation on 4 March 2019 of safeguard investigation on imports of welded tubes of stainless steel (HS 7306.40.20; 7306.40.80; 7306.61.10; 7306.69.10)	WTO document G/SG/N/6/RUS/7, 21 March 2019	
Saudi Arabia, Kingdom of (for Gulf Cooperation Council)		
Termination on 1 November 2018 (without measure) of anti-dumping investigation on imports of seamless pipes and tubes of iron or steel of a kind used for oil or gas pipelines and drilling, of circular cross-section, of an external diameter not exceeding 16 inches (406.4 mm) (HS 7304.19.00; 7304.29.00) from China (initiated on 25 April 2017)	WTO document G/ADP/N/322/SAU, 23 April 2019	
Initiation on 5 November 2018 of anti-dumping investigation on imports of ceramic flags and paving, hearth, floor, or wall tiles, whether or not on a backing; and finishing ceramics (ceramic tiles) (HS 6907.30.00) from China, India and Spain	Permanent Delegation of the Kingdom of Saudi Arabia to the WTO (22 May 2019)	
Initiation on 14 February 2019 of anti-dumping investigation on imports of super absorbent polymers (HS 3906.90) from Japan and Chinese Taipei	Permanent Delegation of the Kingdom of Saudi Arabia to the WTO (22 May 2019)	
South Africa (for SACU – Southern African Customs Union Botswana, Eswatini, Lesotho, Namibia, and South Africa)		
Initiation on 23 November 2018 of anti-dumping investigation on imports of poly (ethylene terephthalate) (NCM 3907.61.00) from China	Permanent Delegation of South Africa to the WTO (17 May 2019)	
Initiation on 1 March 2019 of safeguard investigation on imports of threaded fasteners of iron or steel (HS 7318.15.41; 7318.15.42; 7318.16.30)	WTO document G/SG/N/6/ZAF/7, 4 March 2019	
Turkey		
Termination on 16 October 2018 (without measure) of anti-dumping investigation on imports of polycarboxylate polymers (HS 3824.40; 3906.90.90) from Korea, Rep. of (initiated on 28 November 2017)	Permanent Delegation of Turkey to the WTO (24 May 2019)	
Termination on 17 November 2018 of anti-dumping duties on imports of uncoloured float glass (HS 7005.29) from Romania (investigation initiated on 27 November 2012 and definitive duty imposed on 17 November 2013)	WTO document G/ADP/N/322/TUR, 12 April 2019	
Termination on 21 November 2018 of anti-dumping duties on imports of diesel engines (HS 8408.90.41) from China and India (investigation initiated on 3 August 2012 and definitive duty imposed on 21 November 2013)	WTO document G/ADP/N/322/TUR, 12 April 2019	
Initiation on 30 December 2018 of safeguard investigation on imports of yarn of nylon or other polyamides (HS 5402.31; 5402.32.00; 5402.45; 5402.51; 5402.61)	WTO document G/SG/N/6/TUR/25, 4 January 2019	
Termination on 12 January 2019 (without measure) of anti-dumping investigation on imports of acrylic or modacrylic (HS 5501.30.00) from China; Germany; Korea, Rep. of and Thailand (initiated on 21 March 2018)	Permanent Delegation of Turkey to the WTO (24 May 2019)	
Termination on 12 January 2019 (without measure) of countervailing investigation on imports of acrylic or modacrylic (HS 5501.30.00) from China (initiated on 20 March 2018)	Permanent Delegation of Turkey to the WTO (24 May 2019)	
Termination on 7 May 2019 of safeguard duties on imports of iron and steel products (HS 7208; 7209; 7210; 7211; 7212; 7225; 7226; 7213; 7214; 7215; 7216; 7217; 7227; 7228; 7302; 7303; 7304; 7305; 7306; 7219; 7220) (investigation initiated on 27 April 2018 and provisional duty imposed on 17 October 2018)	WTO document G/SG/N/7/TUR/13/Suppl.1, 13 May 2019	
United States of America		
Termination on 13 November 2018 of anti-dumping duties on imports of polyethylene terephthalate "PET"	WTO document G/ADP/N/322/USA,	

Measure	Source/Date	Status
resin (HS 3907.61.00; 3907.69.00) from Brazil; Indonesia; Korea, Rep. of; Pakistan and Chinese Taipei (investigation initiated on 23 October 2017 and provisional duty imposed on 4 May 2018)	19 March 2019	
Initiation on 19 November 2018 of anti-dumping investigation on imports of polyester textured yarn (HS 5402.33.30; 5402.33.60) from China and India	WTO document G/ADP/N/322/USA, 19 March 2019	
Initiation on 19 November 2018 of countervailing investigation on imports of polyester textured yarn (HS 5402.33.30; 5402.33.60) from China and India	WTO document G/SCM/N/342/USA, 16 April 2019	
Initiation on 20 November 2018 of anti-dumping investigation on imports of magnesium (HS 8104.11.00; 8104.19.00; 8104.30.00) from Israel	WTO document G/ADP/N/322/USA, 19 March 2019	
Initiation on 20 November 2018 of countervailing investigation on imports of magnesium (HS 8104.11.00; 8104.19.00; 8104.30.00) from Israel	WTO document G/SCM/N/342/USA, 16 April 2019	
Termination on 4 December 2018 of anti-dumping duties on imports of polytetrafluoroethylene "PTFE" resin (HS 3904.61.00; 3904.69.50) from China and India (investigation initiated on 26 October 2017 and provisional duty imposed on 7 May 2018)	WTO document G/ADP/N/322/USA, 19 March 2019	
Termination on 4 February 2019 of anti-dumping duties on imports of certain new pneumatic off-the-road tyres (HS 4011) from China (imposed on 4 September 2008)	ITC Investigation A-570-912	
Termination on 4 February 2019 of countervailing duties on imports of certain new pneumatic off-the-road tyres (HS 4011) from China (imposed on 4 September 2008)	ITC Investigation C-570-913	
Termination on 15 February 2019 of anti-dumping duties on imports of large residential washers (HS 8450.11.00; 8450.20.00; 8450.90.20; 8450.90.60) from Korea, Rep. of (investigation initiated on 26 January 2012. Provisional and definitive duties imposed on 3 August 2012 and 15 February 2013, respectively)	ITC Investigation A-201-842; A-580-868; C-580-869	
Termination on 15 February 2019 of countervailing duties on imports of large residential washers (HS 8450.11.00; 8450.20.00; 8450.90.20; 8450.90.60) from Korea, Rep. of (investigation initiated on 26 January 2012. Provisional and definitive duties imposed on 5 June 2012 and 15 February 2013, respectively)	ITC Investigation A-201-842; A-580-868; C-580-86	
Initiation on 25 February 2019 of anti-dumping investigation on imports of certain fabricated structural steel (HS 7308.90.30; 7308.90.60; 7308.90.95; 7216.91.00; 7216.99.00; 7222.40.60; 7228.70.60; 7301.10.00; 7301.20.10; 7301.20.50; 7308.40.00; 7308.90.95; 9406.90.00) from Canada, China and Mexico	Department of Commerce, International Trade Administration A-122-864, A-201-850 and A-570-102, Federal Register/Vol. 84 FR No. 7330 (4 March 2019)	
Initiation on 25 February 2019 of countervailing investigation on imports of certain fabricated structural steel (HS 7308.90.30; 7308.90.60; 7308.90.95; 7216.91.00; 7216.99.00; 7222.40.60; 7228.70.60; 7301.10.00; 7301.20.10; 7301.20.50; 7308.40.00; 7308.90.95; 9406.90.00) from Canada, China and Mexico	Department of Commerce, International Trade Administration C-122-865, C-201-851 and C-570-103, Federal Register/Vol. 84 FR No. 7339 (4 March 2019)	
Initiation on 11 March 2019 of anti-dumping investigation on imports of acetone (HS 2914.11.10; 2914.11.50; 2902.20.00; 2902.70.00; 2905.12.00; 2914.12.00) from Belgium; Korea, Rep. of; the Kingdom of Saudi Arabia; Singapore; South Africa and Spain	Department of Commerce, International Trade Administration A-423-814, A-580-899, A-517-805, A-559-808, A-791-824 and A-469-819, Federal Register/Vol. 84 FR No. 9755 (18 March 2019)	

Measure	Source/Date	Status
Initiation on 13 March 2019 of anti-dumping investigation on imports of carbon and alloy steel threaded rod (HS 7318.15.50; 7318.15.20; 7318.19.00) from China, India, Chinese Taipei and Thailand	Department of Commerce, International Trade Administration A-570-104, A-533-887, A-583-865 and A-549-840, Federal Register/Vol. 84 FR No. 10034 (19 March 2019)	
Initiation on 13 March 2019 of countervailing investigation on imports of carbon alloy steel threaded rod (HS 7318.15.50; 7318.15.20; 7318.19.00) from China and India	Department of Commerce, International Trade Administration C-533-888 C-570-105, Federal Register/Vol. 84 FR No. 10040 (19 March 2019)	
Termination on 15 March 2019 of anti-dumping duties on imports of low-enriched uranium (HS 2844.20.00) from France (imposed on 13 February 2002)	Department of Commerce, International Trade Administration A-427-818, Federal Register/Vol. 84 FR No. 9493 (15 March 2019)	
Termination on 22 March 2019 of countervailing investigation on imports of rubber bands (HS 4016.99.35; 4016.99.60) from Thailand (initiated on 27 February 2018)	Department of Commerce, International Trade Administration C-570-069, C-570-070, Federal Register/Vol. 84 FR No. 4774 (19 February 2019)	
Initiation on 26 March 2019 of anti-dumping investigation on imports of wooden cabinets and vanities (HS 9403.40.90; 9403.60.80; 9403.90.70) from China	Department of Commerce, International Trade Administration A-570-106, Federal Register/Vol. 84, No. 63 FR No. 12587 (2 April 2019)	
Initiation on 26 March 2019 of countervailing investigation on imports of wooden cabinets and vanities (HS 9403.40.90; 9403.60.80; 9403.90.70) from China	USITC – Investigation No. 701-TA-620 and 731-TA-1745, Docket No. 3372 (6 March 2019) and ITC Investigation C-570-107	
Initiation on 17 April 2019 of anti-dumping investigation on imports of anhydrous sodium sulphate (HS 2833.11.50; 2833.11.10; 2833.19.00) from Canada	USITC – Investigation No. 731-TA-1446, Docket No. 3377 (28 March 2019) and ITC Investigation A-122-866	
Initiation on 30 April 2019 of anti-dumping investigation on imports of ceramic tiles (HS 6907) from China	USITC – Investigation No. 701-TA-621 and 731-TA-1447, Docket No. 3378 (10 April 2019) and ITC Investigation A-570-108	
Initiation on 30 April 2019 of countervailing investigation on imports of ceramic tiles (HS 6907) from China	USITC – Investigation No. 701-TA-621 and 731-TA-1447, Docket No. 3378 (10 April 2019) and ITC Investigation C-570-109	
Initiation on 13 May 2019 of anti-dumping investigation on imports of dried tart cherries (HS 0813.40.30; 0813.40.90; 0813.50.00; 2006.00.20; 2006.00.50; 2008.60.00) from Turkey	Department of Commerce, International Trade Administration A-489-835, Federal Register/Vol. 84, No. 97 FR No. 22809 (20 May 2019)	
Initiation on 13 May 2019 of countervailing investigation on imports of dried tart cherries (HS 0813.40.30; 0813.40.90; 0813.50.00; 2006.00.20; 2006.00.50; 2008.60.00) from Turkey	Department of Commerce, International Trade Administration C-489-836, Federal Register/Vol. 84, No. 97 FR No. 22813 (20 May 2019)	

ANNEX 3 - OTHER TRADE-RELATED MEASURES¹

(MID-OCTOBER 2018 to MID-MAY 2019)

Confirmed information²

Measure	Source / Date	Status
Argentina		
Extension of the temporary export ban on iron and steel ferrous waste and scrap (NCM 7204; 7404; 7602)	Permanent Delegation of Argentina to the WTO (22 May 2019) and Decreto No. 970/2018 – Nomenclatura Común del Mercosur (30 October 2018)	Effective 31 October 2018, for 360 days
Reduction of export duties (<i>derechos de exportación</i>) for works of art, collectors' pieces and antiques (NCM 9701)	Permanent Delegation of Argentina to the WTO (22 May 2019) and Decreto No. 94/2019 (DCTO-2019-94-APN-PTE-Posición arancelaria) (30 January 2019)	Effective 1 February 2019
Temporary increase of the statistical fee (<i>tasa de estadística</i>) (from 0.5% to 2.5%) for all imports up to a specific threshold	Permanent Delegation of Argentina to the WTO (22 May 2019) and Decreto No. 332/2019 (DECTO-2019-322-APN-PTE) – tasa estadística (3 May 2019)	Effective 7 May 2019 to 31 December 2019
Amendments introduced in the export duties legislation (<i>derechos de exportación</i>), resulting in exemptions for MSMEs under certain conditions	Permanent Delegation of Argentina to the WTO (22 May 2019) and Decreto Nos. 280/2019 -Derechos de exportación (17 April 2019) and 335/2019 – Desgravación del derecho de exportación (6 May 2019)	Effective 8 May 2019 to 31 December 2020
Brazil		
Temporary increase of import tariffs on certain rubber apparel (NCM 4015.19.00), and on certain x-ray machines (NCM 9022.19.99)	Permanent Delegation of Brazil to the WTO (22 May 2019) and Camex Resolution Nos. 98/2018 (7 December 2018) and 106/2018 (27 December 2018)	Effective 10 December 2018
Increase of import tariffs (from zero to 4%) on other aromatic hydrocarbon mixtures, of which 65% or more by volume (including losses), distilled at 250°C by the ISO 3405 method (equivalent to the ASTM D 86 method) (NCM 2707.50.10); (from zero to 8%) on certain pharmaceutical products (<i>ácido retinoico</i>) (NCM 3003.90.17; 3004.50.60); (from 2% to 12%) on cetylalcohol (NCM 2905.17.20); (from 2% to 14%) on industrial fatty alcohols (NCM 3823.70.10; 3823.70.40); and (from 2% to 18%) on safety airbags with inflator system, and parts thereof (NCM 8708.95.21)	Permanent Delegation of Brazil to the WTO (22 May 2019) and Camex Resolution No. 58/2018 (31 August 2018)	Effective 1 January 2019

¹ The inclusion of any measure in this Annex implies no judgement by the WTO Secretariat on whether or not such measure, or its intent, is protectionist in nature. Moreover, nothing in the Annex implies any judgement, either direct or indirect, on the consistency of any measure referred to with the provisions of any WTO agreement.

² This Section includes information which has either been provided by the Member concerned or has been confirmed at the request of the Secretariat.

Measure	Source/Date	Status
China		
Elimination of VAT rebate rates on oil-cake and other solid residues, whether or not ground or in the form of pellets, resulting from the extraction of soyabean oil (HS 2304)	Permanent Delegation of China to the WTO (22 May 2019)	Effective 1 November 2018
Release of the 2019 catalogue of goods subject to import licensing (in HS Chapters 29; 38; 84; 85; 89; 90)	Permanent delegation of China to the WTO, MOFCOM and China Customs Joint Announcement (2018) 107 on Publishing the Catalogue of Goods Subject to Import Licensing Requirements for 2019. Viewed at: http://images.mofcom.gov.cn/wms/201812/20181231170911182.pdf	Effective 1 January 2019
Release of the 2019 catalogue of goods subject to export licensing (in HS Chapters 01; 02; 10; 11; 12; 13; 14; 25; 26; 27; 28; 29; 38; 44; 71; 72; 80; 81; 87)	Permanent delegation of China to the WTO, MOFCOM and China Customs Joint Announcement (2018) 108 on Publishing the Catalogue of Goods Subject to Export Licensing Requirements for 2019. Viewed at: http://images.mofcom.gov.cn/wms/201812/20181231170446474.pdf	Effective 1 January 2019
European Union		
Reintroduction of the Common Customs Tariff duties (EUR 175/tonne) on imports of Indica rice (HS 1006) from Cambodia and Myanmar (based on EU procedures for the temporary withdrawal of tariff preferences under the GSP Regulations)	Council Implementing Regulation No. 2019/67 (16 January 2019)	Effective 17 January 2019, for 3 years. Tariff duties set at EUR 150/tonne for the second year and EUR 125/tonne for the third year
India		
Amendments introduced to the export policy of gold, resulting in an export authorization on gold idols (only gods and goddess) of 8 carats and above (up to 24 carats), subject to certain conditions	Notification No. 44/2015-2020, Ministry of Commerce and Industry – Department of Commerce (30 November 2018)	Effective 30 November 2018
Amendments introduced to the import policy of gold (HS 7108.12.00), resulting in an import restriction on gold dore	Permanent Delegation of India to the WTO (24 May 2019) and Notification No. 45/2015-2020, Ministry of Commerce and Industry – Department of Commerce (30 November 2018)	Effective 30 November 2018
In January 2019, extension of the temporary import ban on pulses (e.g. peas) (HS 0713) (originally implemented on 1 April 2018 and extended until 30 September 2018)	Permanent Delegation of India to the WTO (24 May 2019) and Trade Notice No. 01/2019-20 Ministry of Commerce and Industry (Department of Commerce) (1 April 2019)	Effective until 31 March 2020
Addition of Krishnapatnam port to the list of 10 existing ports through which imports of sawn timber are permitted	Notification No. 47/2015-2020, Ministry of Commerce and Industry – Department of Commerce (31 December 2018)	Effective 1 January 2019
Addition of Krishnapatnam port to the list of 10 existing ports through which exports of sawn timber are permitted	Notification No. 47/2015-2020, Ministry of Commerce and Industry – Department of Commerce (31 December 2018)	Effective 1 January 2019
Amendments introduced to the export policy of fertilizers (HS 3102; 3103; 3104; 3105), resulting in an export liberalization. Certain fertilizers under the	Notification No. 49/2015-2020, Ministry of Commerce and Industry – Department	Effective 7 January 2019

Measure	Source / Date	Status
"restricted" category moved to the "free" category, subject to certain conditions: (i) prior permission (no objection certificate) by the Department of Fertilizers; and (ii) production of a declaration certificate to customs at the time of export	of Commerce (7 January 2019)	
Increase of import tariffs (from zero to 5%) on lithium ion cells for use in the manufacture of lithium ion accumulators; and (from 10% to 20%) on lithium ion cells for use in the manufacture of power banks of lithium ion (HS 8507.60.00)	Permanent Delegation of India to the WTO (24 May 2019) and Notification No. 2/2019- Customs, Ministry of Finance – Department of Revenue (29 January 2019)	Effective 30 January 2019
Temporary increase on import tariffs (to 200%) on all imports from Pakistan (all HS Chapters)	Permanent Delegation of India to the WTO (24 May 2019) and Notification No. 5/2019- Customs Ministry of Finance – Department of Revenue (16 February 2019)	Effective 16 February 2019
Extension of the temporary import prohibition of milk and milk products (including chocolates and chocolate products and candies/confectionary/food preparations with milk or milk solids as ingredients) from China (originally implemented on 22 June 2018 until 23 December 2018). The extension is in force until the capacity of all laboratories at ports of entry are suitably upgraded for testing melamine	Permanent Delegation of India to the WTO (24 May 2019) and Notification No. 1/2015- 2020, Ministry of Commerce and Industry – Department of Commerce (23 April 2019)	Extended on 23 April 2019
Increase of import tariffs (from 30% to 40%) on wheat (HS 1001)	Permanent Delegation of India to the WTO (24 May 2019) and Notification No. 13/2019- Customs, Ministry of Finance (26 April 2019)	Effective 26 April 2019
Indonesia		
New requirement for exports of coffee (HS 0901; 2101) introducing stricter export licensing requirements	Permanent Delegation of Indonesia to the WTO (24 May 2019) and Regulation No. 109/2018 – Ministry of Trade (January 2019)	Effective 12 January 2019
Mexico		
Temporary increase of import tariffs (to 15%) on iron and steel and articles of iron or steel (186 tariff lines at 8-digit level in HS Chapters 72 and 73)	Permanent Delegation of Mexico to the WTO (24 May 2019) and Diario Oficial de la Federación (Official Journal), 25 March 2019	Effective 26 March 2019, for 180 days
Increase of import tariffs (from 20% to 25%-30%) on certain footwear (6 tariff lines at 8-digit level in Chapter 64) and (from 20% to 25%) on 2 apparel and clothing accessories tariff lines (HS 6111.20.04; 6209.20.04)	Permanent Delegation of Mexico to the WTO (24 April 2019)	Effective 6 May 2019
Temporary increase of import tariffs (from 20% to 25%-30%) on certain footwear (28 tariff lines at 8-digit level in Chapter 64), and (from 20% to 25%) on certain articles of apparel and clothing accessories (64 tariff lines at 8-digit level in Chapters 61; 62; 63)	Permanent Delegation of Mexico to the WTO (24 April 2019)	Effective 6 May 2019, for 180 days
Turkey		
Increase of import tariffs on certain products (by 15%) on producer gas or water gas generators; (to 7%) on aluminium cylinder heads; (by 5%-10%) on centrifugal pumps; (by 20%) on table, floor, wall, window, ceiling or roof fans, with a self-contained electric motor of an output not exceeding 125 W; (by 20%) on portable sprayers; (by 10%-20%) on machines for cleaning, sorting or grading seed, grain or dried leguminous vegetables, other machinery and its parts; (by 11%) on machines which can carry out different types of machining operations without tool changes between	Permanent Delegation of Turkey to the WTO (24 May 2019)	Effective: see individual dates in measure

Measure	Source / Date	Status
<p>such operations: with the automatic transfer of the workpiece between each operation, sawing machines (circular saws and others) and drilling or morticing machines; (by 20%) on automatic beverage-vending machines; incorporating heating or refrigerating devices; (by 20%) on mine detectors; (by 13%) on ozone therapy, oxygen therapy, aerosol therapy, artificial respiration or other therapeutic respiration apparatus (nebulizers); (by 25%) on alarm clocks and electrically operated wall clocks; (by 30%) on snorkels; (by 10%) on tubes, pipes and hoses, and fittings therefor (for example, joints, elbows, flanges), of plastic; baths, shower-baths, wash-basins, bidets, lavatory pans, seats and covers, flushing cisterns and similar sanitary ware of plastic; builders' wares of plastic; other uncoated paper and paperboard, in rolls or sheets; worked monumental or building stone (except slate) and articles thereof; articles of cement, of concrete or of artificial stone, whether or not reinforced; glass fibres (including glass wool) and articles thereof (for example, yarn, woven fabrics); structures (excluding prefabricated buildings of heading 9406) and parts of structures; cloth (including endless bands), grill, netting and fencing, of iron or steel wire; expanded metal of iron or steel; chain and parts thereof, of iron or steel; stoves, ranges, grates, cookers (including those with subsidiary boilers for central heating), barbecues, braziers, gas-rings, plate warmers and similar non-electric domestic appliances, and parts thereof, of iron or steel; monitors and projectors, not incorporating television reception apparatus; reception apparatus for televisions, whether or not incorporating radio-broadcast receivers or sound or video recording or reproducing apparatus; electrical apparatus for switching or protecting electrical circuits, or for making connections to or in electrical circuits; (by 15%) on insulated (including enamelled or anodized) wire, cable (including co-axial cable) and other insulated electric conductors, whether or not cable and other fitted with connectors; optical fibre cables, made up of individually-sheathed fibres, whether or not assembled with electric conductors or fitted with connectors; (by 18%) on imitation jewellery of base metal, whether or not plated with precious metal; (by 15%-25%-30%) on tricycles, scooters, pedal cars and similar wheeled toys; dolls' carriages; dolls; other toys; reduced-size "scale" models and similar recreational models, working or not; and puzzles of all kinds (effective December 2018); (from zero to 5%) on dates (effective 1 January 2019); and (by 5%-8%) on certain cotton yarns and synthetic yarns (effective 16 January 2019) (HS Chapters 08; 39; 48; 52; 54; 55; 68; 70; 71; 73; 84; 85; 90; 91; 95)</p>		

Measure	Source / Date	Status
United States of America		
Extension and increase from 10% to 25% of <i>ad valorem</i> additional duty (originally implemented on 24 September 2018) on products of China (5,733 tariff lines at 8-digit level in HS Chapters 02; 03; 04; 05; 07; 08; 10; 11; 12; 14; 15; 16; 17; 19; 20; 21; 22; 23; 24; 25; 26; 27; 28; 29; 31; 32; 33; 34; 35; 36; 37; 38; 39; 40; 41; 42; 43; 44; 45; 46; 47; 48; 50; 51; 52; 53; 54; 55; 56; 57; 58; 59; 60; 65; 67; 68; 69; 70; 71; 72; 73; 74; 75; 76; 78; 79; 80; 81; 82; 83; 84; 85; 86; 87; 88; 89; 90; 91; 94; 96)	Office of the United States Trade Representative – Notice of Modification of Section 301 Action: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation. Federal Register / Vol. 84 No. 90 (20459) (9 May 2019). Viewed at: https://ustr.gov/sites/default/files/enforcement/301Investigations/84_FR_20459.pdf and https://www.govinfo.gov/content/pkg/FR-2018-09-21/pdf/2018-20610.pdf	Effective 10 May 2019

ANNEX 4 - MEASURES AFFECTING TRADE IN SERVICES¹

(MID-OCTOBER 2018 to MID-MAY 2019)

Measure	Mode(s) of supply	Sectoral classification	Source	Date	Verified by Member
MEASURES AFFECTING VARIOUS SECTORS					
Argentina					
The Government established a new regime for 'door-to-door' deliveries through the postal system of products purchased online from abroad. A maximum of 12 orders per year of 50 dollars or less will be exempt from customs duties. Previously, only yearly purchases below 25 dollars were exempted.	Modes 1-3	Postal and distribution services	Decree No. 221/2019 General Resolution No. 4447/2019 Viewed at: https://www.llyasoc.com/es/novedades/comercio-exterior-regimen-de-envios-postales-sin-finalidad-comercial .	Effective 1 April 2019	YES
Brazil					
Brazil adopted a new legal framework for the use of private data. The law aims to protect personal data, whether obtained by electronic or physical means, or by the public or private sector. The law applies to any data processing operation occurring in Brazil, regardless of the location of the entity conducting the operation or holding the data. The law provides that the collection, use or processing of personal data can be conditioned on first obtaining the explicit consent of the data subject. Data subjects have the right to access, rectify, cancel or exclude their data.	Modes 1-3	Internet and other network-enabled services	General Law on the Protection of Private Data (Federal Law 13709/2018) Viewed at: https://www.jdsupra.com/legalnews/gdpr-inspired-data-protection-heads-to-35738 .	Law published on 15 August 2018. Provision Measure No. 869/2018 published on 28 December 2018. Effective from August 2020.	YES

¹ The inclusion of any measure in this Annex implies no judgement by the WTO Secretariat on whether or not such measure, or its intent, is protectionist in nature. Moreover, nothing in the Annex implies any judgement, either direct or indirect, on the consistency of any measure referred to with the provisions of any WTO agreement.

Measure	Mode(s) of supply	Sectoral classification	Source	Date	Verified by Member
Under the law, companies must ensure that personal data receives adequate protection when transferred abroad. Data transfers are allowed under a number of circumstances, including when transfers are made to countries offering adequate protection, when the regulator specifically approves the transfer, or after the data subject has consented. Further details are to be further specified by the regulator. The law also establishes a national data protection authority, an independent federal agency that will be responsible for regulation of data protection, including monitoring and enforcement					
China					
<p>On 15 March 2019, China adopted its new Foreign Investment Law, aiming to provide a better business environment for foreign investments. The law will replace the three existing laws on Chinese-foreign equity joint ventures, wholly foreign-owned enterprises and Chinese-foreign contractual joint ventures.</p> <p>The new law aims to further encourage foreign investment in China and to strengthen the protection of the legal rights and interests of foreign investors and foreign invested-enterprises. Pre-establishment national treatment shall be applied to foreign investments under a negative list, with the objective of promoting a level playing field that is stable, transparent and predictable, and ensuring that foreign-invested enterprises participate in market competition on an equal basis.</p>	Mode 3	All sectors	Order of the President of the PRC No. 26: Foreign Investment Law	Effective 1 January 2020	YES

Measure	Mode(s) of supply	Sectoral classification	Source	Date	Verified by Member
European Union					
<p>The European Union adopted a framework for the screening of foreign direct investments into the EU.</p> <p>The new regulation does not require EU member states to implement an FDI screening mechanism. However, existing or future mechanisms at the member state level are required to meet certain basic screening requirements, such as judicial review of decisions, non-discrimination between different third countries, and transparency. The regulation sets out a non-exhaustive list of factors that may be taken into account to determine whether foreign investments pose a risk to security or public order, including the impact on critical infrastructure, critical technologies, the supply of critical inputs, access to, and ability to control, sensitive information, and freedom and pluralism of the media.</p> <p>The regulation also establishes a cooperation mechanism whereby Member States and the Commission will be able to exchange information and raise concerns related to specific investments. The Commission will also be allowed to issue opinions when an investment poses a threat to the security or public order of more than one Member State, or when an investment could undermine a project or programme of interest to the whole EU.</p>	Mode 3	All sectors	<p>Regulation 2019/452 of 19 March 2019</p> <p>Viewed at: http://trade.ec.europa.eu/doclib/press/index.cfm?id=2008</p>	Effective 10 April 2019	YES

Measure	Mode(s) of supply	Sectoral classification	Source	Date	Verified by Member
France					
On 29 November 2018, the Government amended its foreign investment regime by extending the requirement of a prior authorisation to investments in activities related to new strategic sectors. These include: space operations; R&D activities in cybersecurity; artificial intelligence; robotics, additive manufacturing and semiconductors; data storage in connection with public security; IT systems participating in guaranteeing the security of operators of vital importance.	Mode 3	Various sectors	Decree No. 2018-1057 Viewed at: https://www.lexology.com/library/detail.aspx?g=f65e10a4-5298-41db-8ffc-38980c0253c1	Effective 1 January 2019	YES
Germany					
The Government amended the foreign investment regime. It lowered, from 25% to 10% of voting rights, the threshold for screening acquisitions by non-EU/EFTA investors in certain sectors: specific operators of critical infrastructure; developers of software in relation to the operation of critical infrastructure in specific sectors; companies monitoring telecommunications; providers of cloud computing services; providers of telematics in the health sector; media companies critical for the formation of public opinion.	Mode 3	Various sectors	Amendment to the Foreign Trade Regulation Viewed at: https://investmentpolicyhubold.unctad.org/IPM/MeasureDetails?id=3337&rgn=&grp=&t=&s=&pg=5&c=&dt=&df=&isSearch=false	19 December 2018	YES
India					
India allowed foreign companies in the defence, telecom, information and broadcasting, and private security sectors to open branch offices, liaison offices, project offices or any other place of business in India, provided an approval has been obtained from the regulator and the ministry concerned. Approval of the Reserve Bank of India is no longer required.	Mode 3	Selected sectors	Foreign Exchange Management (Amendment) Regulations, 2019 Viewed at: https://investmentpolicyhubold.unctad.org/IPM/MeasureDetails?id=3359&rgn=&grp=&t=&s=&pg=3&c=&dt=&df=&isSearch=false	21 January 2019	YES

Measure	Mode(s) of supply	Sectoral classification	Source	Date	Verified by Member
India announced new conditions in relation to its FDI policy on e-commerce. The new measure provides that e-commerce marketplaces cannot sell on their platform the products of companies in which they have equity interests or in which they control the inventory. E-commerce marketplaces are information technology platforms that connect buyers and sellers. In addition, e-commerce marketplace entities cannot mandate any seller to sell any product exclusively on its platform.	Mode 3	E-commerce	Department of Industrial Policy and Promotion, Press Note 2, 2018 Viewed at: http://pib.nic.in/PressReleaseDetail.aspx?PRID=1562493	Effective 1 February 2019	YES
Indonesia					
The Government decided to revoke a regulation on e-commerce taxes that was intended to be enforced from 1 April 2019. Finance Ministerial Regulation (PMK) No. 210/2018, which was signed on Dec. 31, required online marketplace operators to report details of each seller's turnover, mandated online sellers to register for a tax payer number, and set out taxes to be paid by online sellers.	Modes 1-3	Internet and other network-enabled services	Revocation of Finance Ministerial Regulation (PMK) No. 210/2018 Viewed at: https://www.thejakartapost.com/academia/2019/04/01/welcoming-the-revocation-of-e-commerce-tax-regulation.html	29 March 2019	YES
Korea, Republic of					
The Government now requires certain offshore IT providers to designate a domestic representative in Korea in order to comply with personal data protection rules.	Modes 1-2	Internet and other network-enabled services	Amendments to the Act on the Promotion of IT Network Use and Information Protection Viewed at: https://news.bloomberglaw.com/privacy-and-data-security/south-korea-privacy-law-changes-may-help-eu-data-transfer-talks	Effective 19 March 2019	YES

Measure	Mode(s) of supply	Sectoral classification	Source	Date	Verified by Member
Russian Federation					
A new Federal Law envisages a number of measures aimed to ensure the safe and stable operation of the Internet on the territory of the Russian Federation. The law, in particular, defines the necessary rules for routing telecommunication messages and provides for the monitoring of compliance with them.	Modes 1-3	Internet and other network-enabled services	Law on ensuring safe and stable operation of the Internet in Russia Viewed at: http://en.kremlin.ru/acts/news/60430 .	Signed on 1 May 2019 To come in force on 1 November 2019	YES
Saudi Arabia, Kingdom of					
The Council of Ministers decided to allow foreign investment in 4 new sectors: road transport; real estate brokerage; audiovisual services; recruitment and related services. Previously, these sectors were on the Saudi Arabian General Investment Authority's (SAGIA) 'negative list', where foreign investment was prohibited.	Mode 3	Selected sectors	Viewed at: http://saudigazette.com.sa/article/546329 .	Effective 23 October 2018	YES
TELECOMMUNICATIONS/ICT/AUDIOVISUAL SERVICES					
Australia					
A new law was adopted to create a modern framework for Australian law enforcement and national security agencies to work with the communications industry to overcome technological obstacles to the use of data in the investigation of serious crimes. The law applies to <i>designated communications providers</i> (DCP), which includes Australian and foreign companies operating in the communications supply chain with at least one Australian end-user. The framework includes powers to request or compel assistance that is within a DCP's existing capability. DCPs may also be compelled to build a new capability if assistance required is beyond their existing capability. Use of the powers cannot require providers to implement a systemic weakness or vulnerability, build a decryption capability or prevent providers from patching vulnerabilities. When using the powers, the decision-maker must be satisfied that the assistance sought is "reasonable and	Modes 1-3	Telecommunication services	Telecommunications and Other Legislation Amendment (Assistance and Access) Act 2018 Viewed at: https://www.legislation.gov.au/Details/C2018A00148 .	Adopted 6 December 2018	YES

Measure	Mode(s) of supply	Sectoral classification	Source	Date	Verified by Member
proportionate" and whether compliance is "practicable and technically feasible." The law does not create standing obligations on DCPs.					
European Union					
The European Electronic Communications Code recasts four Directives into one single Directive (2018/1972). The main provisions are on access, radio spectrum and end-users. On access, the Code maintains the designation of significant market power (SMP) as the basis for imposing <i>ex ante</i> regulation, puts emphasis on access to civil infrastructure and provides incentives for SMP operators which employ a wholesale-only model or engage in co-investments with rival operators. The Code ensures the availability of pioneer 5G radio spectrum by the end of 2020 in the EU and provides operators with predictability for at least 20 years in terms of spectrum licensing. The Code also harmonises end-user protection, for example for bundled services and for switching of providers and updates the universal service and emergency communications rules.	Modes 1-3	Communication services	Directive (EU) 2018/1972 establishing the European Electronic Communications Code Viewed at: https://www.europeansources.info/record/directive-eu-2018-1972-establishing-the-european-electronic-communications-code	17 December 2018	YES

Measure	Mode(s) of supply	Sectoral classification	Source	Date	Verified by Member
Japan					
Japan's Diet approved an amendment to the Telecommunications Business Act to facilitate fair competition in the mobile communication sector. The amendment prohibits mobile operators from offering discount for retail communication charges at the time of sale of mobile handsets. It also prohibits conditions which unduly constrain subscribers from cancelling contracts.	Mode 3	Telecommunication services	Amendment to the Telecommunications Business Law Viewed at: https://www.japantimes.co.jp/news/2019/03/05/business/bill-lower-mobile-phone-fees-japan-moves-forward/#.XML_z-Q7Z9A	10 May 2019	YES
Korea, Republic of					
The Government amended the telecommunications law in order to relax and simplify the regulatory framework. Among other things, it moves from a licensing regime to a registration system.	Modes 1-3	Telecommunication services	Amendments to the Telecommunications Business Act. Viewed at: https://www.lexology.com/library/detail.aspx?g=0c776f48-6c3f-4067-a998-2cf62329c8f5	Effective 25 June 2019	YES
Saudi Arabia, Kingdom of					
The Communications and Information Technology Commission decided to remove restrictions relating to the single host provider and to introduce modifications and enhancements to the current system for issuing mobile virtual network operator licenses.	Mode 3	Telecommunication services	Decision No. 1440/399 of the Communications and Information Technology Commission approving the 'Rules and Conditions for MVNO Services and IoT-VNO Services Provision'	February 2019	YES
Turkey					
The Government introduced a tax on online advertising services. A 15% tax is applied to payments made to providers of online advertising services, or intermediaries of such services.	Modes 1-2	Online advertising services	Presidential Decree No. 476	Gazetted on 19 December 2018. Effective 1 January 2019.	YES

Measure	Mode(s) of supply	Sectoral classification	Source	Date	Verified by Member
United States					
The FCC voted to adopt new rules related to the spectrum above 95 GHz that encourage the development of new technologies. To enable innovators and entrepreneurs to most readily access this spectrum, the FCC's Spectrum Horizons First Report and Order creates a new category of experimental licenses for use of frequencies between 95 GHz and 3 THz. These licenses will give innovators the flexibility to conduct experiments lasting up to 10 years, and to more easily market equipment during the experimental period.	Modes 1-3	Telecommunication services	FCC, Spectrum Horizons First Report and Order Viewed at: https://www.fcc.gov/document/fcc-opens-spectrum-horizons-new-services-technologies	Adopted 15 March 2019	
Executive order prohibiting the purchase or use of information and communication technologies or services that pose a national security risk. The order declares a national emergency with respect to threats against information and communications technology and services in the United States and delegates authority to the Secretary of Commerce to prohibit transactions posing an unacceptable risk to the national security of the United States or the security and safety of United States persons.	Multiple modes	Information and communication services	Executive Order on Securing the Information and Communications Technology and Services Supply Chain Viewed at: https://www.whitehouse.gov/presidential-actions/executive-order-securing-information-communications-technology-services-supply-chain	15 May 2019	YES
FINANCIAL SERVICES					
China					
The China Securities Regulatory Commission (CSRC) released the Administrative Measures for Foreign-invested Futures Companies, which aim at encouraging established foreign financial institutions to invest in domestic futures companies. Eligible foreign investors may submit applications to the CSRC for holding no more than 51% equity of domestic futures companies, with the equity cap to be entirely removed in 3 years.	Mode 3	Securities trading	Administrative Measures for Foreign-invested Futures Companies Viewed at: http://www.csrc.gov.cn/pub/csrc_en/newsf/acts/release/201809/t20180906_343764.html	Effective August 2018	YES
Saudi Arabia, Kingdom of					
The Saudi Arabian Monetary Authority (SAMA) promulgated new rules allowing the	Mode 3	Insurance and reinsurance	Viewed at: http://www.sama.gov.sa/en-	Effective December 2018	YES

Measure	Mode(s) of supply	Sectoral classification	Source	Date	Verified by Member
establishment of foreign insurance and reinsurance companies as branches. The new rules clarify application of the Cooperative Insurance Control Law and its implementing regulations to foreign branches. Foreign insurance entities can now operate in the kingdom through branches or in the form of a locally incorporated public joint-stock company.			US/Laws/Pages/InsuranceRulesAndRegulation.aspx		
<p>The Kingdom of Saudi Arabia's Capital Market Authority Board of Commissioners (CMABC) adopted a series of new measures in relation to financial services:</p> <ul style="list-style-type: none"> - a resolution regarding the procedures and requirements relating to the issuer whose securities are listed on the Exchange when applying for court for commencing a financial restructuring procedure in accordance with the Bankruptcy Law. - rules for Registering the Auditors of Entities Subject to the Authority's Supervision; - amendments to the Investment Account Instructions; - amendments to the Real Estate Investment Traded Funds Instructions; - the Closed-Ended Investment Traded Funds Instructions 	Mode 3	Financial Services	<p>Viewed at:</p> <p>https://cma.org.sa/en/Market/News/pages/CMA_N_2554.aspx</p> <p>https://cma.org.sa/en/RulesRegulations/Regulations/Documents/Rules-Registering-Auditors-of-Entities-EN.pdf</p> <p>https://cma.org.sa/en/RulesRegulations/Regulations/Documents/InvestmentAccountsInstructionsEN.pdf</p> <p>https://cma.org.sa/en/RulesRegulations/Regulations/Documents/REITF%20Instructions%20en.pdf</p> <p>https://cma.org.sa/en/RulesRegulations/Regulations/Documents/Closed-Ended-Traded-Investment-Funds-Instructions-English.pdf</p>	Effective October 2018-April 2019	YES
BUSINESS SERVICES					
China					
The <i>Regulations on Administration of Foreign-invested Construction and Engineering Design Enterprises</i> and related implementing rules have been annulled. Applications from foreign-invested enterprises for engineering design qualifications shall be accepted and examined in accordance with the principle of equal treatment for domestic and foreign-invested enterprises.	Mode 3	Construction designing services; Engineering services	<p>Information provided by the Government</p> <p>Viewed at:</p> <p>http://www.mohurd.gov.cn/fgjs/jsbgz/201811/t20181122_238493.html</p> <p>http://www.mohurd.gov.cn/wjfb/201812/t20181221_238955.html</p>	Effective 31 October 2018	YES

Measure	Mode(s) of supply	Sectoral classification	Source	Date	Verified by Member
HEALTH AND MEDICAL SERVICES					
China					
The National Health Commission (NHC) released a circular on standards and security of Big Data in the healthcare industry, which requires that such data be stored in China. Where such data must be transferred abroad for business reasons, a security assessment must be carried out in accordance with the relevant laws and regulations.	Modes 1-3	Health-related services	<p>Circular regarding Issuing National Health Medical Big Data Standards, Safety and Service Management Measures (For Trial Implementation)</p> <p>Viewed at: http://www.cms-lawnow.com/ealerts/2018/09/china-monthly-tmt-update-september-2018?cc_lang=en </p>	Effective 13 September 2018	YES
Saudi Arabia, Kingdom of					
The Government adopted new measures enabling 100% foreign ownership, operation and management of private healthcare institutions (PHI), with the exception of clinics. PHIs cover general and specialised health centres, radiology, medical laboratories, outpatient surgical facilities and supporting medial services facilities. Prior to this amendment, foreign ownership of PHIs was limited to hospitals with a minimum number of beds, and depending on the area served.	Mode 3	Health-related services	<p>Royal Decree amending the Private Healthcare Institutions Law</p> <p>Viewed at: http://www.elexica.com/en/legal-topics/corporate-governance-and-compliance/280119-foreign-investment-relaxation-in-the-saudi-healthcare-sector </p>	Effective 2 November 2018	YES
RECREATIONAL SERVICES					
Australia					
Commonwealth, state and territory governments have formally agreed to a National Consumer Protection Framework for online wagering in Australia, comprising of 10 consumer protection measures which aim to reduce the harm of online wagering to consumers. This includes: - a prohibition on online wagering service providers providing lines of credit; - a prohibition of links between online wagering service providers payday lenders; - a restriction on online wagering service providers offering specified inducements; - other consumer protection measures such as a National Self-Exclusion Register and pre-	Modes 1-3	Gambling services	National Consumer Protection Framework for Online Wagering in Australia – National Policy Statement (comprising various legislation at the Commonwealth and state and territory levels).	<p>Commonwealth, state and territory governments will implement the suite of measures within the National Framework progressively over 18 months, beginning from 26 November 2018.</p> <p>Some measures (prohibition of lines of credit,</p>	YES

Measure	Mode(s) of supply	Sectoral classification	Source	Date	Verified by Member
commitment (limit setting).				discouraging links to payday lenders and a 14-day customer verification timeframe) are already effective.	
TRANSPORT SERVICES					
Argentina					
<p>Argentina simplified the regime for obtaining the coastal traffic waivers which allow foreign vessels to carry out commercial activities in the Argentine sea in the event that no Argentine vessels are available to perform such activities.</p> <p>The new issuance regime consists of the following elements:</p> <ul style="list-style-type: none"> - applicants must submit their applications forms by means of the Federal Revenue Agency on-line portal; - all requests shall be published (for a 48-hour term) on the public website "argentina.gob.ar". A notice will be sent to interested parties from the e-mail account of the enforcement agency; - if within 48 hours there are no reasonable oppositions from local ship-owners having Argentine vessels in conditions of rendering the same service, a waiver will be issued within the term of 5 days; - waivers will be valid for a 6-month term. A 15-day extension may be granted should there be valid reasons to do so; - waivers may be unlimitedly reissued upon expiration. 	Modes 1 and 3	Maritime transport	<p>Resolution No. 870/2018 of the Federal Ministry of Transportation</p> <p>Viewed at: https://www.argentina.gob.ar/normativa/nacional/resoluci%C3%B3n-870-2018-314849/texto </p>	Effective 2 October 2018	YES

Measure	Mode(s) of supply	Sectoral classification	Source	Date	Verified by Member
Brazil					
The President signed a temporary decree lifting the 20% limit on foreign investment in Brazilian airlines and allowing full foreign capital participation.	Mode 3	Air transport services	Temporary decree Viewed at: https://www.reuters.com/article/brazil-airlines/brazil-allows-100-pct-foreign-investment-in-domestic-airlines-decree-idUSS0N1XG00Y	13 December 2018	YES
China					
Foreign investors can now invest in and operate international shipping transportation, international shipping agency, international shipping management, international shipping cargo handling, international shipping cargo warehousing, international shipping container station and yard business in accordance with relevant laws, administrative regulations and other relevant regulations.	Mode 3	Maritime transport services	Regulations on International Maritime Transportation (Amended for the third time according to the State Council Order No. 709 of 2 March 2019 by the Decision of the State Council on Amending Certain Administrative Regulations).	Effective 2 March 2019	YES
SERVICES SUPPLIED THROUGH THE MOVEMENT OF NATURAL PERSONS					
Canada					
Canada announced that the Global Talent Stream will become a permanent program. The program provides for a streamlined Labour Market Impact Assessment and expedited work permit processing for highly-skilled foreign workers in STEM-related professions (science, technology, engineering, math). It had originally been introduced in 2017 as a two-year pilot as part of the Global Skills Strategy.	Mode 4	Various sectors	Viewed at: https://www.immigration.ca/canada-to-make-global-talent-stream-permanent	Effective April 2019	YES

Measure	Mode(s) of supply	Sectoral classification	Source	Date	Verified by Member
France					
New application requirements under the EU Intra-Corporate Transferee (ICT) Permit require that foreign nationals be employed by their home employer for at least 6 months prior to the transfer to France, up from 3 months previously, and that they remain outside the European Union for at least 6 months before they can fill a new EU ICT application in France.	Mode 4	All sectors	Viewed at: https://bluemarblepayroll.com/new-immigration-law-france-eases-visa-requirements	Effective April 2019	YES
India					
The Government decided to increase the permitted duration of stay under the electronic Business Visa to 180 days, up from the previous 60 days. Multiple visits will be allowed in a calendar year (up from 3 times per calendar year). In addition, foreign nationals holding an employment visa will now be able to extend it for up to 10 years, up from the previous 5.	Mode 4	All sectors	Viewed at: https://www.financialexpress.com/industry/easier-e-visa-for-business-trip-to-india-year-long-validity-longer-stay-and-more-all-about-new-norms/1499169	February 2019	
Japan					
<p>The Immigration Services Agency has introduced the following 2 new status of residence for acceptance of work-ready foreigners who possess certain expertise and skills in fields where labour shortages exist in Japan:</p> <p>- Status of residence of Specified Skilled Worker (i) – Based on the Basic Policy, this status of residence is applicable to foreigners who have successfully completed "Technical Intern Training (ii)" or who pass a qualifying test in 14 fields, many of which are service fields. The period of stay will be initially 1 year, 6 or 4 months and can be renewed for a maximum of 5 years in total.</p>	Mode 4	Various sectors	Viewed at: https://www.mofa.go.jp/ca/fna/page3e_001006.html	Effective April 2019	YES

Measure	Mode(s) of supply	Sectoral classification	Source	Date	Verified by Member
- Status of residence of Specified Skilled Worker (ii) – This status of residence is applicable to foreigners who pass a higher-level qualifying test in 2 fields at the moment, including construction services. The period of stay will be initially 3 years, 1 year or 6 months and can be renewed without limitation.					
Saudi Arabia, Kingdom of					
Labour Market Tests are no longer required before a block visa request is submitted by employers seeking to hire foreign nationals.	Mode 4	All sectors	Viewed at: https://www.lexology.com/library/detail.aspx?g=ec3265e1-7860-428e-af30-988aab56d81b	Effective November 2018	YES

24 June 2019

Twenty-first Report on G20 Investment Measures¹

At the G20 London summit in April 2009, G20 leaders mandated WTO, OECD and UNCTAD to report publicly on new trade and investment policy measures.

The present document is the twenty-first report on investment and investment-related measures made in response to this call.² It has been prepared jointly by the OECD and UNCTAD Secretariats and covers investment policy and investment-related measures taken between 16 October 2018 and 15 May 2019.

I. Development of Foreign Direct Investment (FDI) flows

In 2018, global FDI inflows decreased by more than 10% compared to 2017, to USD 1.3 trillion.³ The drop was largely due to the 2017 US tax reform which prompted US parent companies to repatriate large amounts of earnings held with foreign affiliates.⁴ FDI inflows to developed economies fell by slightly more than 25% in 2018 while inflows to developing economies were stable. In 2018, major sources of FDI worldwide were Japan, China, and France. The United States recorded negative outflows in the first half of 2018 but returned to its position as the major source of FDI worldwide in the second half of the year.

¹ This report is issued under the responsibility of the Secretary-General of the OECD and the Secretary-General of UNCTAD. It has no legal effect on the rights and obligations of member states of the WTO, OECD, or UNCTAD. Nothing in this report implies any judgment, either direct or indirect, as to the consistency of any measure referred to in the report with the provisions of any WTO, OECD, or UNCTAD agreement or any provisions thereof. As its previous report, this document distinguishes between measures related to foreign direct investment (prepared jointly by OECD and UNCTAD) and measures related to other international capital flows (prepared solely by OECD).

² Earlier reports by WTO, OECD and UNCTAD to G20 Leaders are available on the websites of the [OECD](#) and [UNCTAD](#). A summary table of all investment measures taken since 2008 is also available on those websites.

³ The most recent figures are available in OECD, [FDI in Figures](#) and UNCTAD, [World Investment Report 2019, Special Economic Zones, June 2019](#)

⁴ For an analysis of the impact of the 2017 US Tax Cut and Jobs Act on international investment see UNCTAD, [Tax Reform in the United States: Implications for International Investment](#).

II. Investment policy measures

1. Foreign direct investment-specific measures

Six G20 Members have taken policy measures that are specific to FDI in the reporting period. These were Australia, Brazil, Canada, China, India, and Saudi Arabia.

- *Brazil* and *Saudi Arabia* liberalized foreign investment in certain industries.
- *China* adopted a new Foreign Investment Law and issued a “Negative List of Market Access”, which supplements the “Special Administrative Measures for Foreign Investment (2018 Negative List)”.⁵
- *Australia* and *Canada* increased the thresholds for their foreign investment review mechanisms for investment originating in certain countries. These measures were taken in the context of Regional Trade Agreements and hence only apply to investors from the respective treaty partners. *Western Australia* also increased levies for real-estate acquisitions by foreigners.
- *India* modified rules on the opening of certain project offices and clarified its policies for FDI in inventory-based e-commerce.

A detailed description of the measures is available in [Annex 1](#) of this report.

2. Investment measures related to national security

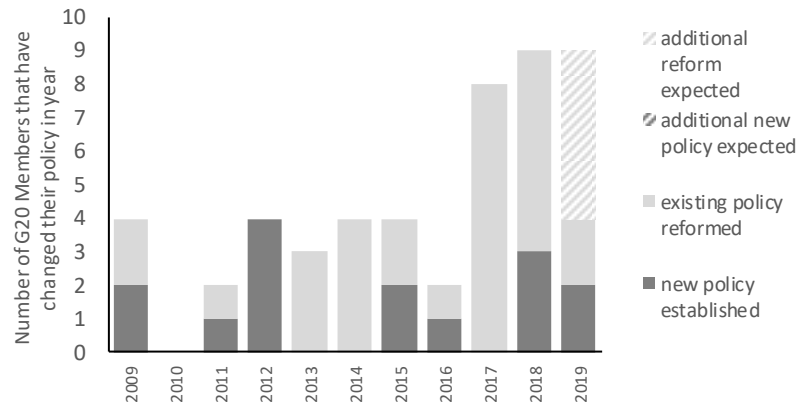
G20 Members continued to be preoccupied with threats to their essential security interests associated with foreign investment and ownership of companies established in their territory. In the reporting period, new policies or changes to existing ones became effective in five G20 Members –France, Germany, Italy, the United States, and the European Union. With the exception of the EU, these economies already had policies to address such concerns. In addition, China and South Africa have adopted, but not yet brought into force, legislation that will reform or establish mechanisms to review foreign investment to manage potential threats to their essential security interests.⁶ The United Kingdom was lately consulting on a major overhaul of its policies, and Japan is reportedly working on reforms of its system to come into effect later in 2019 (see insert on the evolution of policies in G20 Members over the past decade).

The trend to introduce or enhance investment policies motivated by national security concerns reaches beyond G20 Members. It picked up steam in 2018, and previous reports in this series have noted that on average, six countries among the G20 Members had changed policies in this area per year over the past two years. This development is set to continue in the near future, given firm announcements or plans for further changes in this area in a number of G20 economies.

⁵ For the latter measure, see the [20th OECD-UNCTAD Report on G20 Investment Measures](#) of 22 November 2018.

⁶ The change in China is brought by the [Foreign Investment Law 2019](#) that the National People’s Congress adopted on 15 March 2019. This law will enter into effect on 1 January 2020. South Africa’s policy is included in the [Competition Amendment Act, 2018](#), published 14 February 2019, which was not in force at the end of the reporting period on 15 May 2019.

Recent policy changes with regard to foreign investment screening to safeguard essential security interests include a broadening of the scope of transactions that are subject to review – in particular to include assets that provide the acquirer access to sensitive personal data and advanced technology –, an extension of the timeframe for the screening process and a lowering of trigger thresholds to also include smaller investments and stakes.⁷



Source: OECD/UNCTAD monitoring reports on G20 investment policy measures 2009-2019

Safeguarding essential security interests is a responsibility of governments, and its legitimacy is recognised by international investment law. The line between legitimate measures to safeguard essential security interests and those that serve other purposes is difficult to draw, however. Agreed policy principles and disciplines, such as the [G20 Guiding Principles for Global Investment Policymaking](#)⁸ and the [OECD Guidelines for Recipient Country Investment Policies relating to National Security \(2009\)](#), play an important role in containing the risk of overreach. UNCTAD's Investment Policy Framework for Sustainable Development (IPFSD) also provides guidance.⁹

3. *Investment policy measures not specific to FDI*¹⁰

Investment policy measures not specific to FDI relate to the degree to which economies are integrated in global financial markets. Three G20 Members – China, India, and the Russian Federation – took measures that fall in this category in the reporting period. A description of the measures is available in [Annex 2](#) of this report.

Work around the [OECD Code of Liberalisation of Capital Movements](#) has continued to contribute to G20 Members' understanding and articulation of an appropriate framework for capital flow management, one that reaps the benefits of capital flows while mitigating their risks.

The first half of 2019 marked the [completion of the first review](#) of the Capital Movements Code in 25 years, adopted by OECD Ministers on 22 May 2019. The Review was aimed at strengthening the instrument while adapting it to current requirement for capital flow management. The Review clarified the treatment of macro-prudential measures under the Code, provided new understandings concerning currency-based measures; developed a clear framework for the assessment of measures; formalised the possible consultation of other relevant International Organisations; and improved decision-making rules.

G20 Members were regularly updated over the course of 2016-2019, and the detailed outcomes of the Review were presented to G20 Finance and Central Bank Governors at their [meeting on 6 June 2019](#). Non-adhering G20 members contributed importantly to the diagnostic discussions of the Review, testifying to the value that G20 Members attach to international cooperation on disciplines in this area. All G20 members are invited to participate in meetings of the Advisory Task Force on the Codes on a permanent basis. An [OECD-G20 High-Level Seminar on Capital Flows](#) "Integration or Fragmentation? International Capital Flow in the post crisis world", co-organized with the Japanese G20 Presidency, will be held in Paris

⁷ "[Acquisition- and ownership-related policies to safeguard essential security interests – current and emerging trends](#)", OECD, March 2019; UNCTAD, [World Investment Report 2019, Special Economic Zones](#), June 2019.

⁸ Endorsed in September 2016 at the G20 Leaders Summit in Hangzhou, China.

⁹ See paragraph 2.1.2 of the National Investment Policy Guidelines, in: UNCTAD, [Investment Policy Framework for Sustainable Development](#), 2015.

¹⁰ This section on "Investment policy measures not specific to FDI" has been prepared by the OECD under the responsibility of the Secretary-General of the OECD. [Annex 2](#) provides information on the coverage, definitions and sources of the information contained in this section.

on 11 September 2019, bringing the debate on capital flow management forward and launching the revised Code.

G20 engagement with the OECD Codes has been further reinforced by the adherence applications of Argentina, Brazil and South Africa. The adherence process is progressing, with a peer review of Brazil's position held in March 2019. Adherence to the Code supports the effective implementation of the G20 "Coherent Conclusions" calling for capital flow management measures to be "transparent, properly communicated, and targeted to specific risks identified" and for "multilateral surveillance to assess both their individual impact and aggregate spillover effects".¹¹ The G20 Finance Ministers and Central Bank Governors have called on all G20 Members that are not already Code Adherents to consider adhering to the instrument.¹²

4. International Investment Agreements

During the reporting period, G20 Members concluded seven new bilateral investment treaties (BITs)¹³ and seven new "other IIAs"¹⁴. In addition, at least three IIAs entered into force: the BIT between the Republic of Korea and Myanmar (31 October 2018), the Comprehensive and Progressive Agreement for Trans-Pacific Partnership – "CPTPP" – (which entered into effect for some of its signatories on 30 December 2018) and the EU-Japan Economic Partnership Agreement – "EPA" – (1 February 2019).¹⁵ Furthermore, during the reporting period, the termination of three BITs concluded with G20 Members became effective.¹⁶ As of 15 May 2019, there were 2,935 BITs and 388 "other IIAs". Data on G20 Members' IIAs is available in Annex 3.

III. Overall policy implications

G20 members have taken relatively few investment policy measures during the 7-month reporting period from mid-October 2018 to mid-May 2019, marking a further decline in policymaking activity compared to earlier reporting periods.

G20 Members' attention to investment policies designed to safeguard essential security interests continued to grow, following a trend that began in early 2018 and extends beyond G20 membership. Most changes

¹¹ *G20 Coherent Conclusions for the Management of Capital Flows Drawing on Country Experiences*, endorsed by G20 Finance Ministers and Central Bank Governors, 15 October 2011.

¹² [Communiqué of the G20 Finance Ministers and Central Bank Governors Meeting, Baden-Baden, Germany, 17-18 March 2017](#), paragraph 4.

¹³ The BITs between: Argentina and Japan (signed on 1 December 2018); Armenia and the Republic of Korea (signed on 19 October 2018); Australia and Uruguay (signed on 5 April 2019); Brazil and Guyana (signed on 13 December 2018); Cambodia and Turkey (signed on 21 October 2018); Japan and Jordan (signed on 27 November 2018); the Republic of Korea and Uzbekistan (19 April 2019).

¹⁴ "Other IIAs" encompass a variety of international agreements with investment protection, promotion and/or cooperation provisions – other than BITs. They include free trade agreements (FTAs), regional trade and investment agreements (RTIAs), comprehensive economic partnership agreements (CEPAs), cooperation agreements, association agreements, economic complementation agreements, closer economic partnership arrangements, agreements establishing free trade areas, and trade and investment framework agreements (TIFAs). Unlike BITs, "other IIAs" may also cover plurilateral agreements. The "other IIAs" that were concluded in the reporting period are the Investment Agreement between Australia and Hong Kong, China (signed on 26 March 2019); the CEPA between Australia and Indonesia (signed on 4 March 2019); the FTA between Brazil and Chile (signed on 21 November 2018); the EPA between CARIFORUM States and the United Kingdom (signed on 22 March 2019); the EPA between the EFTA States and Indonesia (signed on 16 December 2018); the Investment Protection Agreement between the European Union and Singapore (signed on 19 October 2018); the United States-Mexico-Canada Agreement (signed on 30 November 2018).

¹⁵ While the CPTPP has entered into force, several signatories have not yet ratified the agreement and are therefore not bound by it. The EU-Japan EPA does not contain provisions on investment protection, but the Parties are currently conducting negotiations on this issue.

¹⁶ The BITs between: Australia and Viet Nam (effectively terminated on 14 January 2019); India and North Macedonia (effectively terminated on 16 October 2018); Italy and Syrian Arab Republic (effectively terminated on 13 November 2018).

in this policy area are driven by a heightened awareness and concerns over threats associated with sensitive personal data or the acquisition of advanced technology with dual-use applications.

The uncertainty generated by current trade tensions is likely to discourage capital spending. However, the impact of those developments on international investment is likely to be diverse and specifics are difficult to predict: trade barriers could lead to reallocation of investment to locations not directly affected by those measures, or a further decline in global foreign investment if trade and related frictions lead to a global economic slowdown.

The potential impact of new policies and their implementation on cross-border investment flows calls for a close monitoring of these policy developments and continuous multilateral dialogue, as is already taking place at the OECD and UNCTAD.¹⁷

¹⁷ E.g. the Conference on “[Acquisition- and ownership-related policies to safeguard essential security interests](#)” held on 12 March 2019 at the OECD, to which all G20 Members were invited, as well as UNCTAD’s biennial [World Investment Forum](#) and the [meetings of UNCTAD’s Investment Commission](#).

**Annex 1: Recent investment policy measures related to FDI (16 October 2018 to 15 May 2019) –
Reports on individual economies**

	Description of Measure	Date	Source
Argentina			
<i>Investment policy measures</i>	None during reporting period.		
<i>Investment measures relating to national security</i>	None during reporting period.		
Australia			
<i>Investment policy measures</i>	<p>On 30 December 2018, the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) entered into force for Australia, Canada, Japan, Mexico, New Zealand, and Singapore. The same agreement entered into force for Vietnam on 14 January 2019. Private investors from treaty partners now have access to higher investment thresholds before being subject to review. The threshold for reviewing treaty partners' proposed acquisition of non-sensitive businesses and developed commercial land in Australia increased from AUD 266 million to AUD 1,154 million.</p> <p>On 1 January 2019, Western Australia began charging foreign buyers of residential property an additional 7% duty on direct or indirect acquisitions.</p>	<p>30 December 2018/ 14 January 2019</p> <p>1 January 2019</p>	<p>“Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)”, Australian Government website, undated.</p> <p>“Monetary thresholds”, FIRB website, undated.</p> <p>“Increase in Foreign Buyers Surcharge to assist in Budget repair”, Government of Western Australia Media Statement, 10 May 2018;</p> <p>Duties Amendment (Additional Duty for Foreign Persons) Act 2018;</p> <p>Information on Foreign Buyers Duty, Australian Government website, undated.</p> <p>“Australia-Hong Kong Free Trade Agreement”, Australian Government website, undated.</p>
<i>Investment measures relating to national security</i>	None during reporting period.		
Brazil			
<i>Investment policy measures</i>	Effective 13 December 2018, Brazil allowed 100% foreign ownership of air transport services in the country by revoking conditions in the Aeronautical Code , that hitherto capped foreign ownership of air transport services at 20% and required that the management be exclusively in the hands of Brazilian nationals. To remain effective, the provisional measure needs to be confirmed by the Parliament within 180 days. A similar temporary measure had been introduced in 2016 but had not become permanent.	13 December 2018	Provisional Measure No.863 of 13 December 2018 .
<i>Investment measures relating to national security</i>	None during reporting period.		

Description of Measure		Date	Source
Canada			
<i>Investment policy measures</i>	On 30 December 2018, the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) entered into force for Australia, Canada, Japan, Mexico, New Zealand, and Singapore; on 14 January 2019 the same agreement entered into force for Vietnam. With the entry into force, a review threshold of CAD 1.568 billion in enterprise value applies to investments by private investors from these countries (Mexican investor already benefitted from a higher threshold), while private investment originating in WTO countries with which Canada has no trade agreement in force attracts a review as of CAD 1.045 billion in enterprise value.	30 December 2018; 14 January 2019	Investment Canada Act – Thresholds , Canada government website, undated.
<i>Investment measures relating to national security</i>	None during reporting period.		
P.R. China			
<i>Investment policy measures</i>	On 21 December 2018, the Ministry of Commerce and the National Development and Reform Commission (NDRC) issued a Negative List of Market Access , which applies to both domestic and foreign investment. On 15 March 2019, China adopted its new Foreign Investment Law . This legislation will provide a better business environment for foreign investments. The law will take effect on 1 January 2020, and will replace the three existing laws on Chinese-foreign equity joint ventures, wholly foreign-owned enterprises and Chinese-foreign contractual joint ventures. The new law is aimed to further encourage foreign investment in China, strengthen protection of the legal rights and interests of foreign investors and foreign invested-enterprises. The State shall administer foreign investments under the regime of pre-establishment national treatment with a negative list, which will promote a level playing field that is stable, transparent and predictable, and ensure that foreign-invested enterprises participate in market competition on an equal basis.	21 December 2018 15 March 2019	Negative List of Market Access (2018 Edition) MOFCOM/NDRC media release No.1892 (2018) . The National People's Congress (NPC) of the People's Republic of China, " Foreign Investment Law of the People's Republic of China (2019) ", 15 March 2019
<i>Investment measures relating to national security</i>	None during reporting period.		
France			
<i>Investment policy measures</i>	None during reporting period.		
<i>Investment measures relating to national security</i>	On 1 January 2019, changes to France's mechanism for the review of foreign investment to safeguard its essential security interests became effective. The changes broaden the sectors to which the authorisation requirement applies; add additional reasons that may justify the refusal of a foreign investment under the mechanism; and allow the takeover target to request an opinion on whether an envisaged transaction would require authorisation.	1 January 2019	Décret no 2018-1057 du 29 novembre 2018 relatif aux investissements étrangers soumis à autorisation préalable , Journal Officiel de la République Française, 1 December 2018,
Germany			
<i>Investment policy measures</i>	None during reporting period.		

	Description of Measure	Date	Source
<i>Investment measures relating to national security</i>	On 29 December 2018, a revision of the Foreign Trade and Payments Ordinance came into effect. It modifies the existing national investment screening procedure to safeguard Germany's essential security interests in particular by lowering the screening threshold from previously 25% of voting rights to 10% for acquisitions by non-EU foreigners in the sectors critical infrastructure; related software; cloud-computing; telematics; and certain media.	29 December 2018	“Investment policy related to national security” , Notification by Germany to the OECD, 13 February 2019.
India			
<i>Investment policy measures</i>	Effective 21 January 2019, the Indian government abolished the requirement to obtain government approval for the opening of a project office by a non-resident who has entered into an agreement with or was awarded a contract with the Ministry of Defence, Service Headquarters or Defence Public Sector Undertakings.	21 January 2019	“Foreign Exchange Management (Establishment in India of a branch office or a liaison office or a project office or any other place of business) (Amendment) Regulations, 2019” , Gazette of India, 21 January 2019.
	On 1 February 2019, a review of the Consolidated FDI Policy Circular of 2017 came into effect. The review, announced in Press Note 2 (2018) , clarifies the conditions under which foreign investors can carry out e-commerce in India. Specifically, the clarification prohibits FDI in inventory-based e-commerce, where the investors own inventory rather than offering a marketplace for e-commerce.	1 February 2019	Press Note 2 (2018) , Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, 26 December 2018.
<i>Investment measures relating to national security</i>	None during reporting period.		
Indonesia			
<i>Investment policy measures</i>	None during reporting period.		
<i>Investment measures relating to national security</i>	None during reporting period.		
Italy			
<i>Investment policy measures</i>	None during reporting period.		
<i>Investment measures relating to national security</i>	On 26 March 2019, an amendment to Italy's rules on special powers, laid down in Law No.56 of 11 May 2012, came into effect. The new rules, which were passed into law on 13 May 2019, add 5G-based communications services to the list of strategic assets for the purpose of the national security review process; also, an entity that enters in 5G-related goods or service contracts or acquires components for 5G networks from non-EU providers now needs to notify the contract and in order to allow the Government to screen any risk related to 5G networks on grounds of national security. The change implements the call from Heads of State or Government expressed at the European Council on 22 March 2019 for a concerted approach to the security of 5G networks and in line with the Commission Recommendation on Cybersecurity of 5G networks C(2019) 2335 final .	26 March 2019	Law Decree No. 22/2019 of 25 March 2019, passed into law on 13 May 2019.
Japan			
<i>Investment policy measures</i>	None during reporting period.		

Description of Measure		Date	Source
<i>Investment measures relating to national security</i>	None during reporting period.		
Republic of Korea			
<i>Investment policy measures</i>	None during reporting period.		
<i>Investment measures relating to national security</i>	None during reporting period.		
Mexico			
<i>Investment policy measures</i>	None during reporting period.		
<i>Investment measures relating to national security</i>	None during reporting period.		
Russian Federation			
<i>Investment policy measures</i>	None during reporting period.		
<i>Investment measures relating to national security</i>	None during reporting period.		
Saudi Arabia			
<i>Investment policy measures</i>	On 23 October 2018, Saudi Arabia allowed foreign investment in road transport, real estate brokerage, audiovisual services and recruitment offices.	23 October 2018	
<i>Investment measures relating to national security</i>	None during reporting period.		
South Africa			
<i>Investment policy measures</i>	None during reporting period.		
<i>Investment measures relating to national security</i>	On 14 February 2019, the Competition Amendment Act, 2018 was published in the official Gazette. The Act, once in force, will allow the President to constitute a national security review committee on foreign investments which will conduct mandatory reviews of inward foreign investment to safeguard South Africa's essential security interests. Sectors as well as critical infrastructure assets to which the review mechanism will apply are to be listed.	14 February 2019	Competition Amendment Act, 2018;
	On 29 March 2019, the Competition Commission South Africa published Guidelines for the determination of administrative penalties for failure to notify mergers and implementation of mergers contrary to the Competition Act No 89 of 1998, as amended , in the Official Gazette. The Guidelines set out the methodology for determining administrative penalties for the failure to notify mergers, including in the context of the mandatory national security review mechanism that the legislation of 14 February 2019 has established.	29 March 2019	Guidelines for the determination of administrative penalties for failure to notify mergers and implementation of mergers contrary to the Competition Act No 89 of 1998, as amended , Competition Commission, Government Gazette No.473, 29 March 2019.

Description of Measure		Date	Source
<i>Investment measures relating to national security</i>	None during reporting period.		
Turkey			
<i>Investment policy measures</i>	None during reporting period.		
<i>Investment measures relating to national security</i>	None during reporting period.		
United Kingdom			
<i>Investment policy measures</i>	None during reporting period.		
<i>Investment measures relating to national security</i>	None during reporting period.		
United States			
<i>Investment policy measures</i>	None during reporting period.		
<i>Investment measures relating to national security</i>	On 10 November 2018, Interim Rules that require filings with the Committee for Foreign Investment in the United States (CFIUS) for certain investments in critical technologies and expand jurisdiction to certain non-controlling investments came into effect. The Rules implement some of the new powers and obligations that CFIUS and other authorities received as part of the Foreign Investment Risk Review Modernization Act (FIRRMA) , which had come into effect on 13 August 2018. The Interim rules expand CFIUS reviews to include certain non-controlling, non-passive investments in companies involved with critical technologies and introduce mandatory filings of certain transactions whereas hitherto CFIUS filings were voluntary. The interim rules are a temporary pilot programme that will end no later than 5 March 2020.	10 November 2018	“Determination and Temporary Provisions Pertaining to a Pilot Program To Review Certain Transactions Involving Foreign Persons and Critical Technologies” , Federal Register, Vol. 83, No.197, 11 October 2018.
European Union			
<i>Investment policy measures</i>	None during reporting period.		
<i>Investment measures relating to national security</i>	On 10 April 2019, the Regulation of the European Parliament and of the Council establishing a framework for the screening of foreign direct investments into the Union entered into force. Its provisions will apply from 11 October 2020. The Regulation creates a mechanism for exchange of information related to specific investment proposals among EU Member States and the Commission and in particular allows the Commission to issue non-binding opinions if an investment threatens essential security interest of more than one Member State; or when an investment could undermine a programme of the whole EU; and sets standards for EU Member States’ national policies to safeguard their essential security interests.	10 April 2019	Regulation (EU) 2019/452 of the European Parliament and of the Council of 19 March 2019 establishing a framework for the screening of foreign direct investments into the Union , Official Journal of the European Union, 21 March 2019.

Methodology for the inventory presented in Annex 1 — Coverage, Definitions and Sources

Reporting period. The reporting period of the present document is from 16 October 2018 to 15 May 2019. An investment measure is counted as falling within the reporting period if new policies were prepared, announced, adopted, entered into force or applied during the period.

Investment. For the purpose of the inventory presented in Annex 1, international investment is understood to include only foreign direct investment. Investment policy measures not specific to FDI are not included in this inventory but shown in Annex 2 of this report.

Investment measure. For the purposes of this annex, investment measures consist of any action that either: imposes or removes differential treatment of foreign or non-resident investors compared to the treatment of domestic investors in like situations. Reporting on such policy measures has no legal effect on the rights and obligations of member states of the WTO, OECD, or UNCTAD.

National security. International investment law, including the OECD investment instruments, recognises that governments may need to take measures to safeguard essential security interests and public order. For the purpose of this report, national security related measures are understood as including policies which relate to national security risks associated with the acquisition, ownership or control of assets. National security related measures are included irrespective of whether the measure applies to foreigners only or whether it also covers nationals of the country that takes the measure. The investment policy community at the OECD and UNCTAD monitors these measures to help governments adopt policies which are effective in safeguarding national security and to ensure that they are not disguised protectionism.

Sources of information and verification. The sources of the information presented in this report are:

- official notifications made by governments to various OECD processes (e.g. the Freedom of Investment Roundtable or as required under the OECD investment instruments);
- information contained in other international organisations' reports or otherwise made available to the OECD and UNCTAD Secretariats;
- other publicly available sources: specialised web sites, press clippings etc.

Investment measures included in this report have been verified by the respective G20 members.

Annex 2: Recent investment policy measures not specific to FDI (16 October 2018 to 15 May 2019)
– Reports on individual economies¹⁸

Description of Measure	Date	Source
Argentina		
None during reporting period.		
Australia		
None during reporting period.		
Brazil		
None during reporting period.		
Canada		
None during reporting period.		
P.R. China		
On 14 January 2019, the State Administration of Foreign Exchange (SAFE) increased the total amount that foreign institutional investors can place in China's financial markets under the <i>Qualified Foreign Institutional Investor</i> programme to USD 300 billion, up from USD 150 billion, the cap in effect since July 2013.hitherto.	14 January 2019	“Total Qualified Foreign Institutional Investor (QFII) increased to US\$300 billion” , SAFE media release, 14 January 2019.
France		
None during reporting period.		
Germany		
None during reporting period.		
India		
Throughout the reporting period, several measures to ease foreign portfolio investors' possibilities to invest in debt came into effect:		
<ul style="list-style-type: none"> Effective 15 February 2019, the Reserve Bank of India abolished the restriction hitherto imposed on foreign portfolio investors that no investor may hold more than 20% of its corporate debt portfolio in a single enterprise. 	15 February 2019	“Investment by Foreign Portfolio Investors (FPI) in Debt” , RBI/2018-19/123, A.P. (DIR Series) Circular No. 19, 15 February 2019.
<ul style="list-style-type: none"> On 1 March 2019, a new scheme for foreign portfolio investors' access to Indian debt – the ‘Voluntary Retention Route’ – became effective. Under this route, macro-prudential and other requirements are relaxed for investments of which a certain percentage is voluntarily committed for a certain period of time. 	1 March 2019	“‘Voluntary Retention Route’ (VRR) for Foreign Portfolio Investors (FPIs) investment in debt” , RBI/2018-19/135, A.P. (DIR Series) Circular No.21, 1 March 2019.
<ul style="list-style-type: none"> On 25 April 2019, the Reserve Bank of India allowed foreign portfolio investors to invest in municipal bonds. 	25 April 2019	“Investment by Foreign Portfolio Investors (FPI) in Debt – Review” , RBI/2018-19/176, A.P. (DIR Series) Circular No. 33, 25 April 2019.
In the reporting period, the rules governing External Commercial Borrowing underwent a series of changes; the overall framework was set	6 November 2018; 26 November 2018; 16 January 2019.	“External Commercial Borrowings (ECB) Policy – Review of Minimum Average Maturity and Hedging Provisions” , RBI/2018-19/71, A.P.

¹⁸ This inventory has been established by the OECD Secretariat under the responsibility of the Secretary-General of the OECD.

Description of Measure	Date	Source
<p>out in a Master Direction issued on 26 March 2019. The changes that were made in the reporting period:</p> <ul style="list-style-type: none"> reduced the minimum average maturity requirement of ECBs in the infrastructure space from 5 to 3 years for hedged and from 10 to 5 years for unhedged loans; reduced the mandatory hedge coverage ratio from 100% to 70% of ECBs for ECBs with maturities between 3 and 5 years; and broadened the scope of eligible borrowers, allowed ECBs of up to USD 750 million per financial year under the automatic route, i.e. without prior approval, and set the minimum average maturity period to 3 years for most cases, and to 5 years in some cases. 		<p>(DIR Series) Circular No.11, 6 November 2018;</p> <p>“External Commercial Borrowings (ECB) Policy – Review of Hedging Provision”, RBI/2018-19/79, A.P. (DIR Series) Circular No.15, 26 November 2018;</p> <p>“External Commercial Borrowings (ECB) Policy – New ECB Framework”, RBI/2018-19/109, A.P. (DIR Series) Circular No. 17, 16 January 2019.</p>
Indonesia		
None during reporting period.		
Italy		
None during reporting period.		
Japan		
None during reporting period.		
Republic of Korea		
None during reporting period.		
Mexico		
None during reporting period.		
Russian Federation		
Effective 1 April 2019, the Central Bank of the Russian Federation widened the differential of reserve requirements between liabilities held in Rouble and foreign currency denominated liabilities for non-resident legal entities, individuals, and credit institutions.	1 April 2019	Required reserve ratios, Central Bank of the Russian Federation, undated.
Saudi Arabia		
None during reporting period.		
South Africa		
None during reporting period.		
Turkey		
None during reporting period.		
United Kingdom		
None during reporting period.		
United States		
None during reporting period.		

Description of Measure	Date	Source
European Union		
None during reporting period.		

Methodology for the inventory presented in Annex 2 — Coverage, Definitions and Sources

Reporting period. The reporting period of the present document is from 16 October 2018 to 15 May 2019. An investment measure is counted as falling within the reporting period if new policies were prepared, announced, adopted, entered into force or applied during the period.

Investment. For the purpose of the inventory presented in Annex 2, international investment is understood to include all international capital movements; however, measures specifically concerning foreign direct investment are not reported in this Annex, but rather in Annex 1 of the present document.

Investment measure. For the purposes of this Annex 2, investment measures consist of any action that either (i) imposes or removes differential treatment of foreign or non-resident investors compared to the treatment of domestic investors in like situations; or (ii) imposes or removes restrictions on international capital movements.

Reporting on international capital movements has no legal effect on the rights and obligations of member states of the WTO, OECD, or UNCTAD.

Sources of information and verification. The sources of the information presented in this report are:

- official notifications made by governments to various OECD processes (e.g. the Freedom of Investment Roundtable or as required under the OECD investment instruments);
- information contained in other international organisations' reports or otherwise made available to the OECD Secretariat;
- other publicly available sources: specialised web sites, press clippings etc.

Investment measures included in this report have been verified by the respective G20 members.

Annex 3: G20 Members' International Investment Agreements¹⁹

	BITs			Other IIAs			Total IIAs as of 15 May 2019
	Concluded between 16 October 2018 and 15 May 2019	Effectively terminated between 16 October 2018 and 15 May 2019	As of 15 May 2019	Concluded between 16 October 2018 and 15 May 2019	Effectively terminated between 16 October 2018 and 15 May 2019	As of 15 May 2019	
Argentina	1		56			18	74
Australia	1	1	19	2		22	41
Brazil	1		22	1		19	41
Canada			32	1		20	52
China			127			22	149
France			101	1		70	171
Germany			131	1		70	201
India		1	23			13	36
Indonesia			42	2		19	61
Italy		1	72	1		69	141
Japan	2		32			20	52
Republic of Korea	2		95			20	115
Mexico			32	1		16	48
Russian Federation			79			6	85
Saudi Arabia			24			13	37
South Africa			40			10	50
Turkey	1		109			21	130
United Kingdom			103	2		71	174
United States			45	1		68	113
European Union				1		71	71

Source: UNCTAD's IIA Navigator (<https://investmentpolicy.unctad.org/international-investment-agreements>).

¹⁹ The number of IIAs may have been revised as a result of retroactive adjustments to UNCTAD's database on BITs and "other IIAs" (<https://investmentpolicy.unctad.org/international-investment-agreements>).