KEY FINDINGS

- This Report covers new trade and trade-related measures implemented by WTO Members between 16 October 2017 and 15 May 2018. It reveals a number of important trends in global trade policy making. While WTO Members continue to implement trade-facilitating measures, the more worrying trend during this period is the increase in trade-restrictive measures which has come at a time of increasing trade tensions and associated rhetoric. This should be of real concern to the international community.

- WTO Members applied 75 new trade-restrictive measures during the review period, including tariff increases, quantitative restrictions, imposition of import taxes and stricter customs regulations. This equates to an average of almost 11 new measures per month, which is higher compared to the average of 9 measures recorded in the previous Report.

- During the review period, WTO Members also implemented 89 measures aimed at facilitating trade, including reduced or eliminated tariffs, simplified customs procedures, reduction of import taxes and elimination of import bans. At almost 13 trade-facilitating measures per month, this is an increase compared to the average of 11 measures recorded in the previous Report.

- The trade coverage of the import-facilitating measures (US$107.3 billion) is larger than that of the import-restrictive measures (US$84.5 billion). Although this is an encouraging development for global trade at this juncture, it is of concern that the ratio of the trade coverage of import-facilitating over import-restrictive measures has fallen significantly for the current review period. This ratio was two-to-one in favour of trade-liberalizing measures, as recorded in the previous Report.

- The review period recorded a stable pace in initiations of trade remedy investigations by WTO Members and an increase in terminations of trade remedy actions, compared to the previous period. Initiations of trade remedy investigations represent almost 40% of all trade measures recorded during the review period. The trade coverage of trade remedy initiations recorded in this Report is estimated at US$52.7 billion, almost double the trade coverage recorded for these measures during the same period in 2016-2017. The trade coverage of trade remedy terminations recorded in the review period is estimated at US$6.8 billion.

- At a point where the global economy is finally beginning to generate sustained economic momentum following the global financial crisis, the uncertainty created by a proliferation of trade-restrictive actions could place economic recovery in jeopardy. The multilateral trading system was built to resolve such problems and it has the tools to do so again. However, further escalation could carry potentially large risks for the system itself. Its resilience and functionality in the face of these challenges will depend on each and every one of its Members. WTO Members must use all means at their disposal to de-escalate the situation and promote further trade recovery.
**Trade-restrictive measures**

(average per month)

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

Source: WTO Secretariat.

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**Trade-facilitating measures**

(average per month)

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

Source: WTO Secretariat.
WTO trade remedies initiations and terminations
(average per month)

![Chart showing WTO trade remedies initiations and terminations](chart.png)

Note: Values are rounded.
Source: WTO Secretariat.

Trade measures, mid-October 2017 to mid-May 2018
(by number)

![Diagram showing trade measures](diagram.png)

Source: WTO Secretariat.
Box 1 About the WTO trade monitoring report

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 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 take into account discussions among WTO Members in the Trade Policy Review Body (TPRB).

Regarding trade remedy actions, it has been highlighted in discussions among WTO Members that several 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 Antidumping and Subsidies Agreements permit WTO Members to impose antidumping (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 additional 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) measures covered in the Report, 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 does 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 sought to provide a nuanced perspective to 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. During discussions of the Trade Monitoring Reports at the TPRB, Members have also drawn attention to this point and to the fact that, with respect to both, vigilance remains imperative.