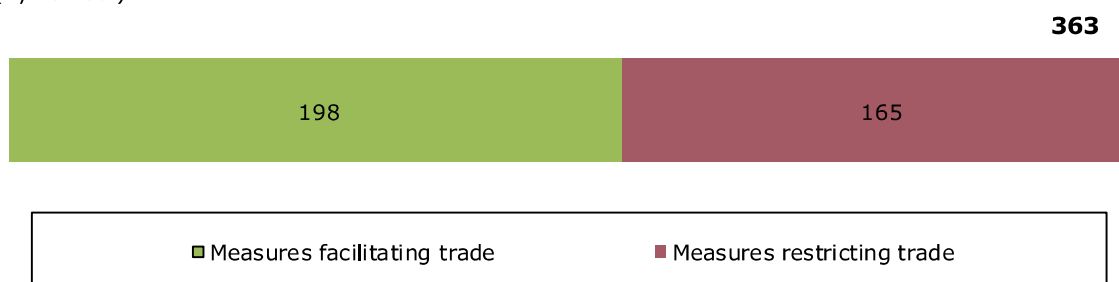

KEY FINDINGS

- This Report covers new trade and trade-related measures implemented by WTO Members between 16 October 2019 and 15 May 2020. This period included the start of the COVID-19 pandemic, which has already delivered an almost unprecedented shock to the global economy and caused significant social disruption. Although the full impact of the pandemic is not yet reflected fully in trade statistics, it is expected to be very substantial.
- In its trade forecast of 8 April 2020, the WTO considered two scenarios for the crisis, one relatively optimistic and the other more pessimistic. Under the optimistic scenario, the volume of world merchandise trade would fall by 12.9% and world GDP would decline by 2.5%. Under the pessimistic scenario, trade would contract by 31.9% and GDP would shrink by 8.8%. As at mid-June, preliminary trade data and trade-related indicators for the first half of 2020 were more consistent with the optimistic scenario than the pessimistic one, but actual outcomes could easily fall within or even outside of the forecast range, depending on how the crisis unfolds.
- World trade was already slowing before the pandemic struck, weighed down by heightened trade tensions and slowing global economic growth. Merchandise trade was down 0.1% in volume terms in 2019, marking the first decline since 2009. Trade growth also slowed in nominal terms in 2019, as the dollar value of merchandise exports fell by 3% to USD 18.89 trillion. Although commercial services exports increased by 2% to USD 6.03 trillion in 2019, the pace of growth was down sharply from 9% in the previous year.
- Overall, WTO Members and Observers implemented 363 new trade and trade-related measures during the review period, of which 198 were of a trade-facilitating nature and 165 were trade-restrictive. Seventy per cent of these measures (256 in total) were linked to the COVID-19 pandemic. Of these 256 measures, 147 facilitated trade and 109 restricted trade. In the early stages of the pandemic, several of the measures introduced by WTO Members and Observers restricted the free flow of trade, principally for exports. But as at mid-May 2020, 57% of all COVID-19-related measures were trade-facilitating. Around 28% of the COVID-19-specific trade restrictions implemented by WTO Members and Observers had been repealed by mid-May.
- Excluding COVID-19-related measures, WTO Members and Observers implemented 107 trade and trade-related measures during the review period. These included 51 new measures aimed at facilitating trade. The trade coverage of these non-COVID-19-related import-facilitating measures implemented during the review period was estimated at USD 739.4 billion, the second highest figure for such measures since October 2012. WTO Members and Observers also put in place 56 new trade-restrictive measures unrelated to the pandemic. The trade coverage for these new import-restrictive measures was estimated at USD 423.1 billion, the third highest value recorded since October 2012. The trade coverage of import restrictive measures implemented since 2009, and still in force, continues to increase. It is estimated that 8.7% of world imports (USD 1.7 trillion) is affected by import-restrictive measures implemented since 2009 and still in force.
- All WTO issues regularly covered by this Report saw significant activity both before and after the outbreak of the pandemic. During the review period, 239 trade remedy actions were recorded for WTO Members. The monthly average of trade remedy actions initiated was slightly higher than the average for the last eight years, while the monthly average of trade remedy terminations was the lowest over the same time span. During the review period, initiations of anti-dumping investigations accounted for around 80% of all trade remedy initiations, which also includes safeguards and countervailing actions.
- In services, most of the new measures introduced by WTO Members and Observers between mid-October 2019 and mid-May 2020 were trade-facilitating, but a number of new policies appeared to be trade-restrictive, including in areas related to foreign investment and in areas considered strategic or linked to national security. Most of the 99 services measures adopted by WTO Members and Observers in response to the pandemic appeared to be trade-facilitating.

- WTO Members continued to implement general economic support measures as part of their overall trade policy, a fact confirmed by Secretariat analysis despite governments' low response rate with respect to these measures. In addition, WTO Members and Observers also implemented a large number of emergency support measures in response to the economic and social turmoil caused by the COVID-19 pandemic. Most of the 468 COVID-19-related general economic support measures identified, including monetary, fiscal and financial measures as well as preferential loans, credit guarantees, and stimulus packages, collectively worth several trillion US dollars, appeared to be temporary in nature. These emergency support measures are central to governments' strategies to address the pandemic-induced economic downturn and to prepare the ground for a strong recovery. Regular monitoring of support measures introduced in the context of the pandemic will be important for Members, to be able to track their evolution and effects as the world exits the health crisis and enters a recovery period.
- WTO Members were very active in the SPS and TBT Committees during the review period, and notified a higher volume of SPS and TBT measures compared to the previous period. Most of new notifications were submitted by developing Members. From 1 February to 15 May 2020, 19 Members notified 29 SPS measures taken in response to the pandemic. The nature of most of these measures shifted, from initial restrictions on animal imports and/or transit from affected areas and additional certification requirements, to, from April, trade-facilitating measures such as the use of electronic certificates for checks. As at 15 May 2020, 14 WTO Members had submitted 53 TBT notifications/communications on standards and regulations in response to the COVID-19 pandemic, covering a wide range of products including personal protective equipment, medical equipment, medical supplies, medicines and food.
- WTO Members continued to extensively use the Committee on Agriculture Review Process, and raised a total of 298 questions in relation to Members' individual notifications and on specific implementation matters. In relation to the COVID-19 pandemic, three WTO Members informed the Committee of four temporary measures to respond to food security threats.
- The Report also covers developments in WTO Members in Trade-Related Aspects of Intellectual Property Rights (TRIPS). Several Members implemented specific IP-related measures aimed at facilitating the development and dissemination of COVID-19-related health technologies, as well as at relaxing procedural requirements and extending deadlines for administrative IP matters.
- Work continued in the first months of 2020 to advance negotiations, particularly on fisheries subsidies, building on the decision taken by Members at MC11. Groups of Members also continued to pursue their discussions on other issues, including electronic commerce, investment facilitation, women's economic empowerment, domestic regulation in services, and, micro, small and medium-sized enterprises (MSMEs). However, the delegations' ability to engage in detailed negotiations has been constrained by restrictions on movement and the refocusing of priorities to address the COVID-19 pandemic.

Trade-facilitating and trade-restrictive measures by WTO Members and Observers, mid-October 2019 to mid-May 2020

(By number)

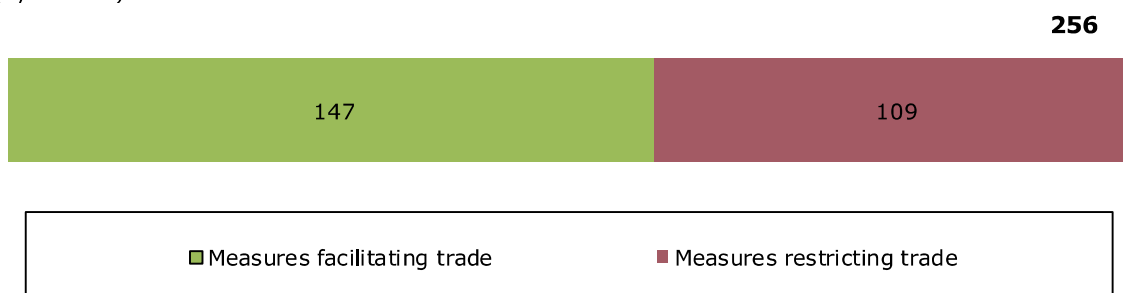


Note: Including COVID-19 trade and trade-related measures.

Source: WTO Secretariat.

COVID-19 trade and trade-related measures, by mid-May 2020

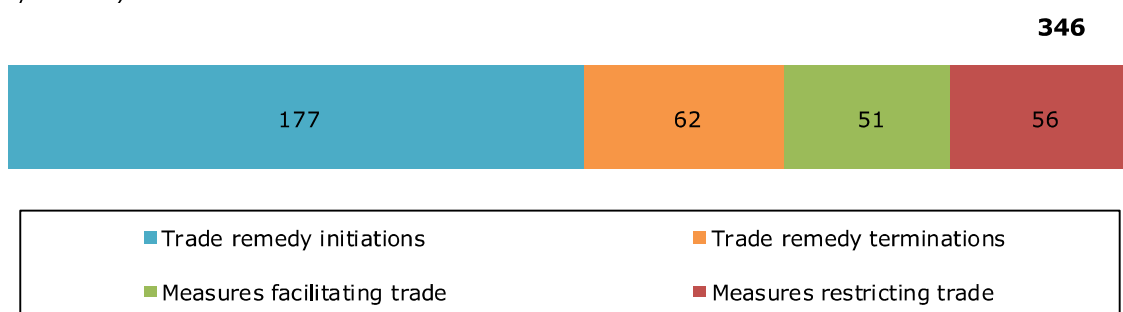
(By number)



Source: WTO Secretariat.

Trade and trade-related measures, mid-October 2019 to mid-May 2020

(By number)

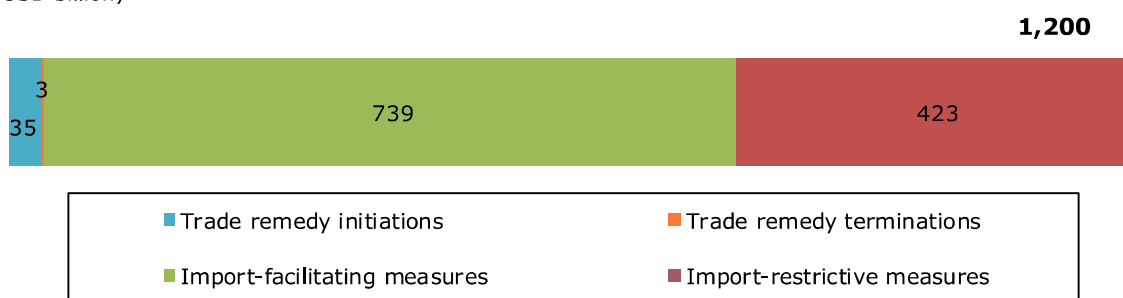


Note: COVID-19 trade and trade-related measures are not included.

Source: WTO Secretariat.

Trade coverage of trade and trade-related measures, mid-October 2019 to mid-May 2020

(USD billion)

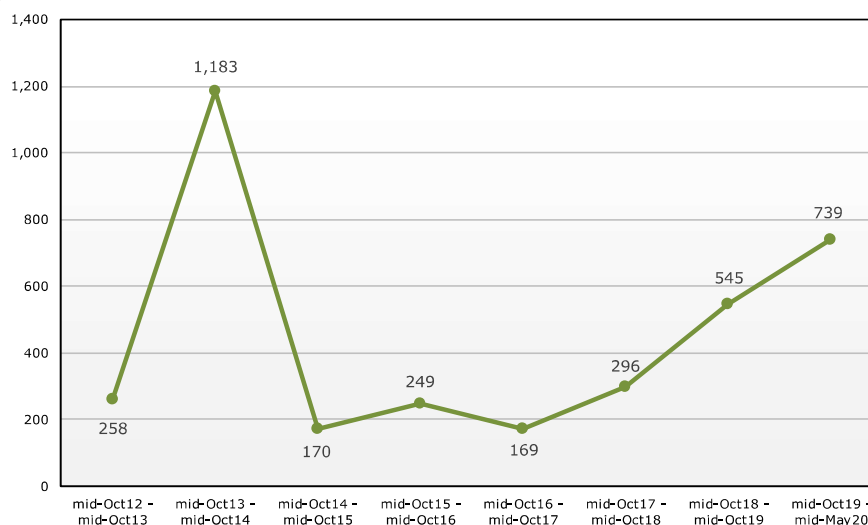


Note: COVID-19 trade and trade-related measures are not included.

Source: WTO Secretariat.

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

(USD billion)

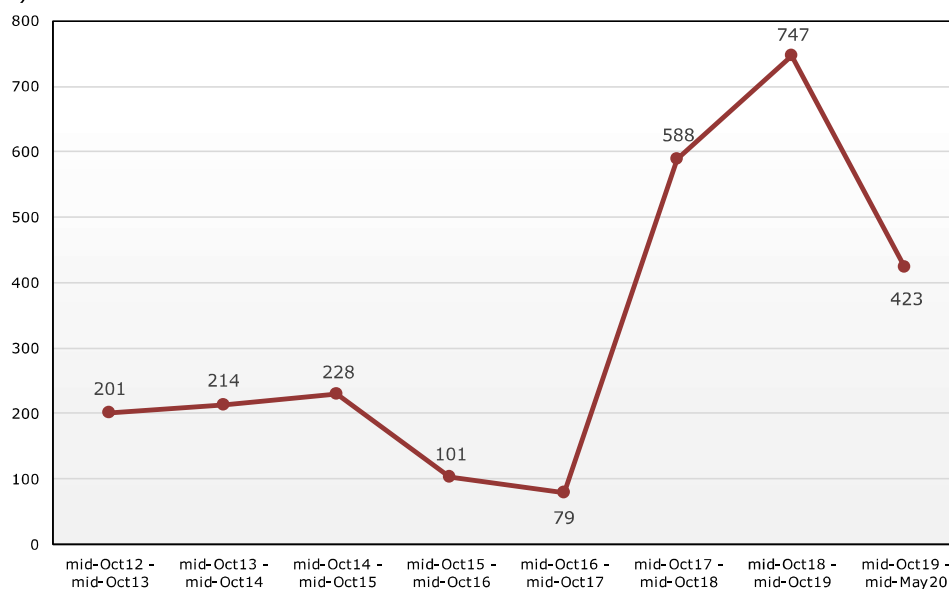


Note: These figures are estimates, and represent the trade coverage of the measures (i.e. annual imports of the products concerned from economies affected by the measures) and not the cumulative impact of the trade measures. Liberalization associated with the 2015 Expansion of the WTO's Information Technology Agreement is not included in the figures. COVID-19 trade and trade-related measures are not included.

Source: WTO Secretariat.

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

(USD billion)

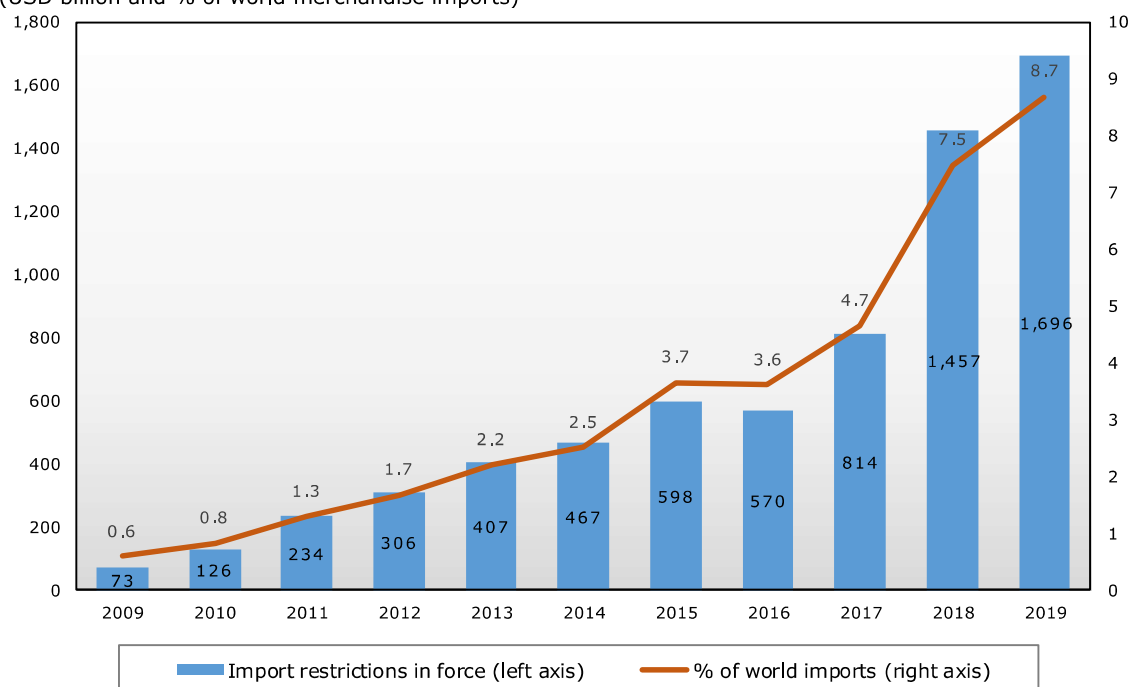


Note: These figures are estimates, and represent the trade coverage of the measures (i.e. annual imports of the products concerned from economies affected by the measures) introduced during each reporting period, and not the cumulative impact of the trade measures. COVID-19 trade and trade-related measures are not included.

Source: WTO Secretariat.

Cumulative trade coverage of WTO import-restrictive measures in force since 2009

(USD billion and % of world merchandise imports)



Note: The cumulative trade coverage estimated by the Secretariat is based on information available in the Trade Monitoring Database (TMDB) on import measures recorded since 2009 and considered to have a trade-restrictive effect. The estimates include import measures for which HS codes were available. The figures do not include trade remedy measures. COVID-19 trade and trade-related measures are not included. The import values were sourced from the UNSD Comtrade database.

Source: WTO Secretariat.