



Trade Policy Review Body

OVERVIEW OF DEVELOPMENTS IN THE INTERNATIONAL TRADING ENVIRONMENT

ANNUAL REPORT BY THE DIRECTOR-GENERAL¹

(Mid-October 2021 to mid-October 2022)

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¹ This Report covers the period mid-October 2021 to mid-October 2022. It is presented pursuant to Paragraph G of the Trade Policy Review Mechanism mandate and aims to assist the Trade Policy Review Body to undertake its annual overview of developments in the international trading environment that are having an impact on the multilateral trading system. The Report is issued under the sole responsibility of the Director-General. It has no legal effect on the rights and obligations of Members, nor does it have any legal implications with respect to the conformity of any measure noted in the Report with any WTO Agreements or any provisions thereof.

EXECUTIVE SUMMARY

1. This WTO Trade Monitoring Report on trade-related developments comes at a time when the global economy continues to face multiple challenges. The war in Ukraine, events related to climate change, soaring of food and energy prices as well as the continuing ramifications of the COVID-19 pandemic are having serious implications for the global economy.

2. Since 2020, the pace of implementation of new restrictions by WTO Members, in particular on the export side, has increased, first in the context of the pandemic and more recently in the context of the war in Ukraine and the food security crisis. Between mid-October 2021 and mid-October 2022, WTO Members have lifted some of these export restrictions. As of mid-October 2022, 52 export restrictions on food, feed and fertilizers and 27 COVID-19-related export restrictions on essential products to combat the spread of the virus were still in place.

3. During the review period, WTO Members introduced more trade-facilitating (376) than trade-restrictive (214) measures on goods (these numbers exclude measures related to the pandemic). The average number of trade-facilitating measures per month was the highest recorded since 2012. Most of the facilitation happened on the import side while most of restrictions took place on the export side. For the first time since the beginning of the Trade Monitoring Exercise, the number of export restrictions have outpaced that of import restrictions. Initiations of trade remedy investigations declined sharply during the review period. The average number of trade remedy initiations per month was the lowest recorded since 2012.

4. The successful conclusion of the 12th WTO Ministerial Conference (MC12) on 17 June 2022 in Geneva secured a series of unprecedented multilaterally agreed outcomes on fisheries subsidies, on the WTO response to the current and future pandemics, including a waiver of certain intellectual property (IP) requirements concerning compulsory licensing for COVID-19 vaccines, on food security, and on WTO reform. The moratorium on e-commerce customs duties was also extended. The MC12 outcomes underline the critical role of the WTO in addressing the world's most pressing issues, especially at a time when global solutions are necessary to respond to global challenges and foster greater socio-economic inclusion.

5. WTO Members must build on the momentum achieved at MC12 and collectively cooperate to keep markets open and predictable to allow goods to flow to where they are needed the most, remove supply chains bottlenecks and get global value chains (GVCs) back to the disinflationary role that they have played in the past.

Specific findings

6. This Report is set against a backdrop of **slowing international trade** as the global economy struggles with several interconnected shocks, including the war in Ukraine, high inflation, devastation left by several climate change-related events, and lingering side-effects from the COVID-19 pandemic. The volume of world merchandise trade is expected to increase by 3.5% in 2022, with the pace of growth slowing in the second half of the year. Trade is estimated to further decelerate in 2023, with an expansion of just 1.0% for the year, down sharply from the previous estimate of 3.4%. Global GDP growth is estimated at 2.8% in 2022 and 2.3% in 2023. Low-income countries are among the most vulnerable to these developments, as increased costs and reduced supplies of food and energy raise concerns about food security and debt distress.

7. **Inflation** in 2022 was the highest some countries have experienced in decades. Increasing interest rates is the prevalent instrument used by some Central Banks to control inflation, but not without risks or repercussions. Under-tightening monetary policy may cause continued increases in inflation, while over-tightening may tip economies into recession. The cross-country potential inflationary effect from divergent policies and the appreciation of the US dollar are sources of inflationary pressures for some economies.

8. The COVID-19 pandemic has brought attention to potential market failures in value chain organization and **disruptions to GVCs** have been headline news since then. While industries and regions were affected in different ways, supply chains proved to be resilient during the pandemic and since the outbreak of the war in Ukraine.

9. The pace of implementation of **export restrictions** by WTO Members has increased since 2020, first in the context of the pandemic and subsequently by the war in Ukraine and the food crisis. Between mid-October 2021 and mid-October 2022, WTO Members gradually lifted some of these export restrictions. As of mid-October 2022, 52 export restrictions on food, feed and fertilizers and 27 COVID-19-related export restrictions on essential products to combat the spread of the virus were still in place.

10. During the review period, WTO Members introduced **more trade-facilitating (376) than trade-restrictive (214) measures on goods, unrelated to the pandemic**. The average number of trade-facilitating measures per month was the highest recorded since 2012. Most of the facilitation happened on the import side while most of restrictions were on the export side. For the first time since the beginning of the Trade Monitoring Exercise, the number of export restrictions have outpaced that of import restrictions. The trade coverage of the trade-facilitating measures was estimated at USD 1,160.5 billion, and that of the trade-restrictive measures at USD 278.0 billion.

11. The **stockpile of import restrictions** in force continues to grow. By mid-October 2022, some 9.3% of global imports continue to be affected by import restrictions implemented since 2009 and which are still in force.

12. Initiations of **trade remedy** investigations by WTO Members declined sharply during the review period (10.9 initiations per month, the lowest since 2012) after reaching its highest peak in 2020 (36.1 initiations per month). Trade remedy actions remain an important trade policy tool for many WTO Members, accounting for 37.4% of all non-COVID-19-related trade measures on goods recorded in this Report. Anti-dumping continues to be the most frequent trade remedy action in terms of initiations and terminations.

13. **In the services sectors**, 174 new measures were introduced by WTO Members, a third of which targeted telecommunication, computer, and Internet- and other network- enabled services and a quarter affected financial services. Although most new measures were of a trade-facilitating nature a significant number was trade-restrictive.

14. The implementation of **new COVID-19 trade-related measures by WTO Members** has decelerated over the past 12 months, with 45 such measures recorded on goods and 4 on services. Additional information communicated by WTO Members mainly consisted of termination of existing measures or amendments of others. Many COVID-19-related measures affecting trade in services are still in force. The number of new COVID-19-related support measures by WTO Members and Observers to mitigate the social and economic impacts of the pandemic fell sharply over the review period.

15. Since the outbreak of the pandemic, 443 COVID-19-related trade and trade-related measures in the area of goods have been introduced by WTO Members and Observers. Most were trade-facilitating (246 or 56%), while the rest were trade-restrictive (197 or 44%). Members continued to phase out the pandemic-related measures, and in particular the restrictive ones, during the review period. According to information received by the Secretariat, as of mid-October 2022, 79.2% of the COVID-19-related trade restrictions have been repealed, leaving 27 export restrictions and 14 import restrictions in place. Although the number of the pandemic-related trade restrictions still in place has decreased, their trade coverage remains important at USD 134.6 billion.

16. WTO Members continued to use the **SPS and TBT Committees' transparency mechanisms** to notify their sanitary and phytosanitary (SPS) and technical barriers to trade (TBT) measures and to discuss and often resolve specific trade concerns (STCs) non-litigiously. Food safety was the most frequent objective identified in the regular SPS notifications submitted by WTO Members during the review period. Most of the new specific trade concerns (STCs) raised in the SPS Committee during the review period also concerned food safety. WTO Members submitted 127 SPS notifications and communications on measures taken in response to the pandemic.

17. Most of the new regular TBT notifications submitted by WTO Members during the review period, indicated the protection of human health or safety as their main objective. A total of 249 STCs were discussed during the review period. Members submitted 225 COVID-19-related TBT notifications to the WTO in response to the pandemic.

18. Members continued to use WTO bodies to address their **trade concerns** and engage trading partners on real or potential areas of trade friction.

19. **In the Committee on Agriculture (CoA)**, Members posed 344 questions regarding individual notifications, overdue notifications, and specific implementation matters (SIMs) under Article 18.6. Most of these (64%) focused on Members domestic support notifications or policies.

20. WTO Members continued to fine-tune their **IP domestic frameworks** and to implement specific IP measures to facilitate the development and dissemination of COVID-19-related health technologies. The pace of implementation of specific measures related to COVID-19 health technologies slowed during the review period.

21. The Report also covers several other important trade-related developments and discussions that took place during the review period, including domestic regulation in services, electronic commerce, investment facilitation for development, micro, small and medium-sized enterprises (MSMEs), trade finance, and women's economic empowerment.

1 INTRODUCTION

1.1. This Report is submitted to the Trade Policy Review Body (TPRB) pursuant to Paragraph G of the Trade Policy Review Mechanism mandate in Annex 3 to the WTO Agreement. This provides for an annual Report by the Director-General to assist the TPRB in undertaking its annual overview of developments in the international trading environment that are having an impact on the multilateral trading system. It builds on the Director-General's Report to the TPRB on trade-related developments circulated to Members on 13 July 2022.¹

1.2. This Report covers the period from 16 October 2021 to 15 October 2022, unless otherwise indicated.² The Report is issued under the sole responsibility of the Director-General and is intended to be purely factual. It has no legal effect on the rights and obligations of Members, nor does it have any legal implication with respect to the conformity of any measure noted in the Report with any WTO Agreement. Specifically, the Report does not question the explicit right of Members to resort to trade remedy measures and is without prejudice to Members' negotiating positions (Box 1.2).

1.3. At the WTO's 8th Ministerial Conference in December 2011, Ministers recognized the regular work undertaken by the TPRB through the monitoring exercise of trade and trade-related measures, took note of the work initially done in the context of the global financial and economic crisis, and directed it to be continued and strengthened. They invited the Director-General to continue presenting the Trade Monitoring Reports on a regular basis and asked the TPRB to consider these Reports in addition to the meeting dedicated to undertaking the annual overview of developments in the international trading environment. Ministers committed to duly comply with the existing transparency obligations and reporting requirements needed for the preparation of these Reports, and to continue to support and cooperate with the WTO Secretariat in a constructive fashion.³

1.4. This end-of-year Trade Monitoring Report comes at a time when the global economy faces multiple challenges. The fight against the COVID-19 pandemic with new variants emerging continues. Despite some progress, access to vaccines is still lagging in some parts of the world. At the same time, the severe humanitarian crisis caused by the war in Ukraine remains. The repercussions of the war are wide and manifold and include serious blows to energy security, food security and to the world economy at large. Under its trade monitoring mandate, the WTO Secretariat continues to monitor and provide transparency around the wide range of trade-related measures taken in response to these crises.

1.5. Since the outbreak of the COVID-19 pandemic, a consistent feature of the trade and trade-related measures taken in response to the COVID-19 crisis has been the frequent changes, adjustments, and gradual roll-back of such measures to reflect the evolving situation. The updated lists of measures implemented in the context of the current pandemic are available on the COVID-19 page of the WTO website⁴ and cover the areas of goods, services, and intellectual property, as well as measures communicated by Members on general economic support. The lists presented on the website are updated regularly and are not exhaustive. This information is provided for transparency purposes and does not question or pass judgement on the right of WTO Members to implement any of the measures listed. The full list of notifications received by the WTO Secretariat in the context of the COVID-19 pandemic is also available on the COVID-19 page of the WTO website.⁵

1.6. In accordance with the practice of the WTO Trade Monitoring Exercise of verifying information and measures with Members, the WTO Secretariat implemented an *ad hoc* verification process of COVID-19-related measures. In recognition of the fact that some measures did not initially have official government sources, the regular update of these measures was listed only on the dedicated COVID-19 page of the WTO Members' website, pending verification by the relevant delegation. For those trade and trade-related goods, services and intellectual property measures submitted directly

¹ WTO document WT/TPR/OV/W/16, 13 July 2021.

² In addition to the trade policy measures implemented during the period under review and recorded by this Report, other measures which impact trade flows may have been taken by WTO Members and Observers.

³ WTO document WT/L/848, 19 December 2011.

⁴ WTO, *COVID-19 and World Trade*. Viewed at: https://www.wto.org/english/tratop_e/covid19_e/covid19_e.htm.

⁵ WTO, *WTO Members' Notifications on COVID-19*. Viewed at: https://www.wto.org/english/tratop_e/covid19_e/notifications_e.htm.

by delegations, or where official sources were found, a separate list was made available on the WTO public website.

1.7. The structure of this Trade Monitoring Report is similar to the November 2020 version. Each Section, except Section 2, will first cover the regular monitoring of trade and trade-related measures implemented during the review period. Where relevant, specific developments in the context of the COVID-19 pandemic, including specific work and activities undertaken in various WTO committees, will also be covered. Developments related to the war in Ukraine will also be covered.

1.8. A separate Addendum⁶ to this Report contains Annexes on recorded trade and trade-related measures taken by WTO Members and Observers in the areas of goods and services from 16 October 2021 to 15 October 2022. This separate Addendum lists new regular (non-COVID-19-related) measures recorded during the review period. Measures implemented outside of this period are not included in these Annexes. This information is also publicly available through the Trade Monitoring Database (TMDB).⁷

1.9. Information on the measures included in this Report has been collected from inputs submitted by WTO Members and Observers, as well as from other official and public sources. Replies to the initial request for information on measures taken during the period under review and replies to the requests for verification were received from 81 Members⁸ (Box 1.1), which represents 49.4% of the Membership, and covers around 91.1% of world imports.⁹ Four Observers also replied to the request for information.

1.10. On 17 June 2022, WTO Members successfully concluded the 12th Ministerial Conference (MC12) in Geneva, securing multilaterally negotiated outcomes on a series of key trade initiatives, including fisheries subsidies, WTO response to emergencies, including a waiver of certain requirements concerning compulsory licensing for COVID-19 vaccines, food safety and agriculture, and WTO reform. The moratorium on e-commerce customs duties was also extended. These important achievements are also covered in this Report.

1.11. The Organisation for Economic Co-operation and Development (OECD) has contributed a topical box to this Report on critical raw materials for the green transition. The International Trade Centre (ITC) has contributed a box on perspectives on connected services and competitiveness.

Box 1.1 Participation in the Preparation of this Report

1. Albania	30. Kyrgyz Republic
2. Algeria ^a	31. Macao, China
3. Angola	32. Mauritius
4. Argentina	33. Mexico
5. Australia	34. Republic of Moldova
6. Azerbaijan ^a	35. Myanmar
7. Bangladesh	36. New Zealand
8. Belize	37. Nicaragua
9. Brazil	38. North Macedonia
10. Brunei Darussalam	39. Norway
11. Canada	40. Pakistan
12. Chile	41. Paraguay
13. China	42. Philippines
14. Colombia	43. Russian Federation
15. Costa Rica	44. Kingdom of Saudi Arabia
16. Cuba	45. Serbia ^a
17. Dominican Republic	46. Singapore
18. Ecuador	47. South Africa
19. Egypt	48. Sri Lanka
20. El Salvador	49. Switzerland
21. European Union	50. Chinese Taipei
22. Georgia	51. Thailand
23. Guatemala	52. Türkiye
24. Honduras	53. United Arab Emirates

⁶ WTO document WT/TPR/OV/25/Add.1, 22 November 2022.

⁷ WTO, *Trade Monitoring Database*. Viewed at: <http://tmdb.wto.org>.

⁸ The European Union and its member States counted separately.

⁹ This figure includes intra-EU trade.

25.	Hong-Kong, China	54.	United Kingdom
26.	Iraq ^a	55.	Ukraine
27.	Israel	56.	United States
28.	Japan	57.	Uruguay
29.	Republic of Korea	58.	Viet Nam

a Observer.

Source: WTO Secretariat.

Box 1.2 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 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 Anti-Dumping and the Subsidies Agreements and Countervailing Measures 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 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 international trade. For example, the Reports have consistently emphasized that although the number of specific and often long-term restrictive trade measures remain 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.

Source: WTO Secretariat.

2 RECENT ECONOMIC AND TRADE DEVELOPMENTS

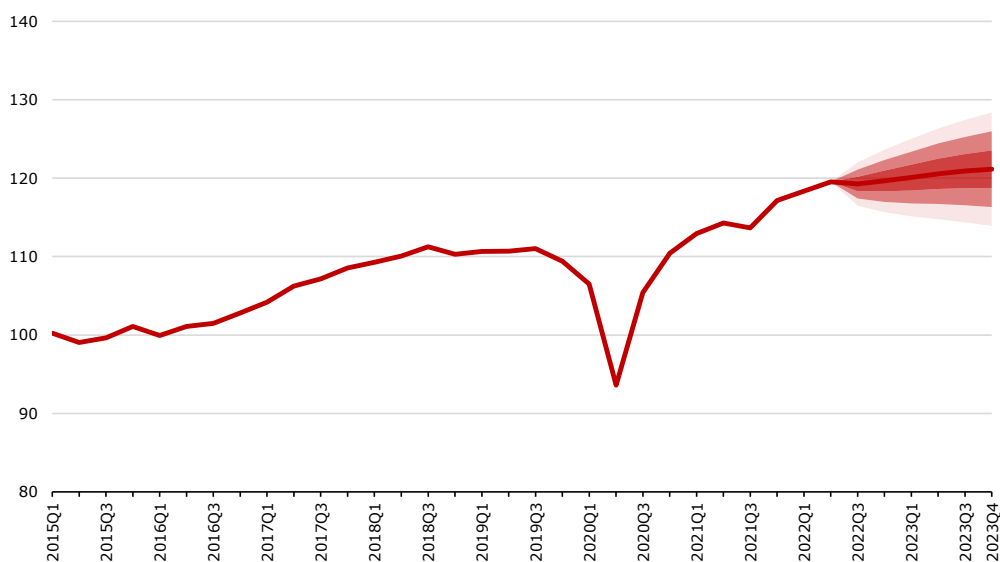
2.1 Economic outlook and trade volume developments

2.1. The medium-term outlook for trade has deteriorated after a series of related shocks hit the global economy during the review period, prompting the WTO to downgrade its projections for the next 18 months.¹ Merchandise trade is now expected to slow in the second half of 2022 and to remain subdued in 2023 as the war in Ukraine, high inflation, and lingering side-effects from the COVID-19 pandemic weigh on global economic growth. The WTO expects world merchandise trade volume growth of 3.5% in 2022 (up slightly from the previous estimate of 3.0%) followed by a 1.0% increase in 2023 (down sharply from 3.4% previously) (Chart 2.1).

2.2. Import demand is expected to cool as growth decelerates in major economies for different reasons. In Europe, high energy prices stemming from the war in Ukraine will continue to squeeze household budgets and raise production costs in manufacturing. In the United States, tighter monetary policy is likely to reduce interest-sensitive spending on housing, motor vehicles and fixed investment. China faces the prospect of further COVID-19 outbreaks and production disruptions coupled with weak external demand, while low-income countries face the possibility of food insecurity and debt distress due to rising import bills for fuels, food, and fertilizers.

Chart 2.1 Volume of world merchandise trade, 2015Q1-2023Q4

(Seasonally-adjusted volume index, 2015=100)



Note: Each shaded region represents a ± 0.5 standard error band around the central forecast.

Source: WTO Secretariat estimates; and UNCTAD.

2.3. Risks to the forecasts are mostly on the downside. Central banks are raising interest rates in a bid to tame inflation, but rapid tightening could trigger recessions in some countries, which would weigh on imports. Alternatively, central banks might not do enough to bring down inflation, possibly necessitating stronger interventions later. High interest rates in advanced economies could trigger capital flight from emerging economies, unsettling financial flows. Escalation of the war in Ukraine could further damage economic confidence, while trade restrictions on food and other necessities could exacerbate inflation and ultimately reduce trade and GDP growth.

2.4. Hard data on the impact of the Russian Federation-Ukraine war were scarce at the time of the WTO's April 2022 trade forecast, forcing WTO economists to rely on simulations to generate plausible GDP assumptions. As events unfolded, the WTO's GDP projections for 2022 were broadly correct, but estimates for 2023 turned out to be overly optimistic, as inflation became more broad-based, and the war in Ukraine continued. The current forecast issued on 5 October 2022 is premised on

¹ WTO (2022), "Trade growth to slow sharply in 2023 as global economy faces strong headwinds", press release 909, 5 October. Viewed at: https://www.wto.org/english/news_e/pr909_e.htm.

world GDP growth at market exchange rates of 2.8% in 2022 (unchanged from the previous forecast) and 2.3% in 2023 (1.0 percentage points lower than previously estimated).

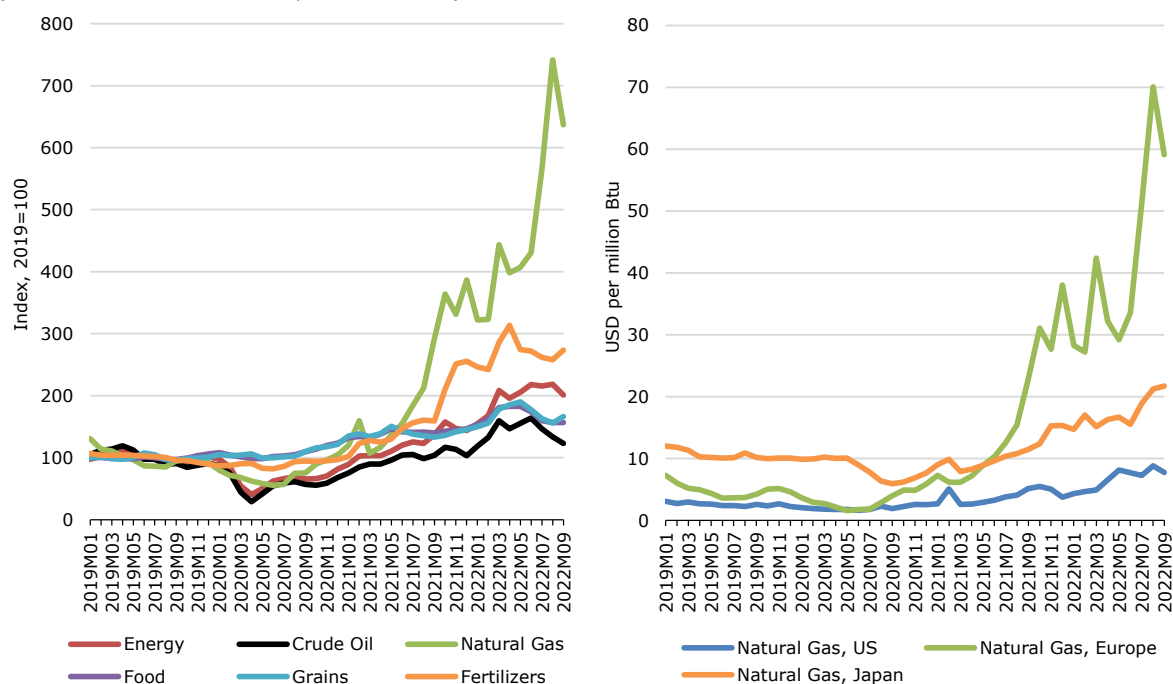
2.5. Trade growth will slow sharply but remain positive in 2023 if the current forecast is realized, but all projections should be taken with a grain of salt given the unpredictable nature of the war and the shifting stance of monetary policy in leading economies. Uncertainty about the forecast is represented by error bands in Chart 2.1. If current assumptions hold, trade growth in 2022 could end-up between 2.0% and 4.9%. The volume of trade in 2023 could contract by as much as 2.8% if downside risks materialize, and if not, it could rise by as much as 4.6%. Trade could also finish outside of these bounds if any of the underlying assumptions change.

2.6. The war in Ukraine has pushed up prices for primary commodities, particularly fuels, food, and fertilizers. These are illustrated by Chart 2.2, which shows global commodity price indices on the left and natural gas prices by region on the right.

2.7. Energy prices in September were up 47% year-on-year and 125% compared to January 2021. The increase was led by natural gas, prices of which rose 118% year-on-year and 433% since January 2021. The 19% year-on-year increase in the price of crude oil in September is small compared to rise in natural gas, but it is still significant for consumers. Crude oil prices remain high, having risen 64% since January 2021.

Chart 2.2 Monthly average prices for primary commodities, January 2019–September 2022

(Index 2019=100 and USD per million Btu)



Source: World Bank.

2.8. Natural gas prices have diverged strongly across regions since 2021. In September 2022, European gas prices were more than eight times higher than their level in January last year. Prices in the United States nearly tripled over the same period, but they remained low compared to Europe (USD 7.76 per million Btu compared to USD 59.10). European purchases of natural gas from other countries to supplement reduced supplies from the Russian Federation have also pushed up the cost of liquefied natural gas (LNG) in Asia, where the price of LNG has risen 141% since January 2021. European gas prices moderated in September (down 15.6% compared to August) but they remain high by historical standards. Oil prices have also receded from their recent peak (down 25% since June), possibly indicating weaker global demand rather than an improved supply situation.

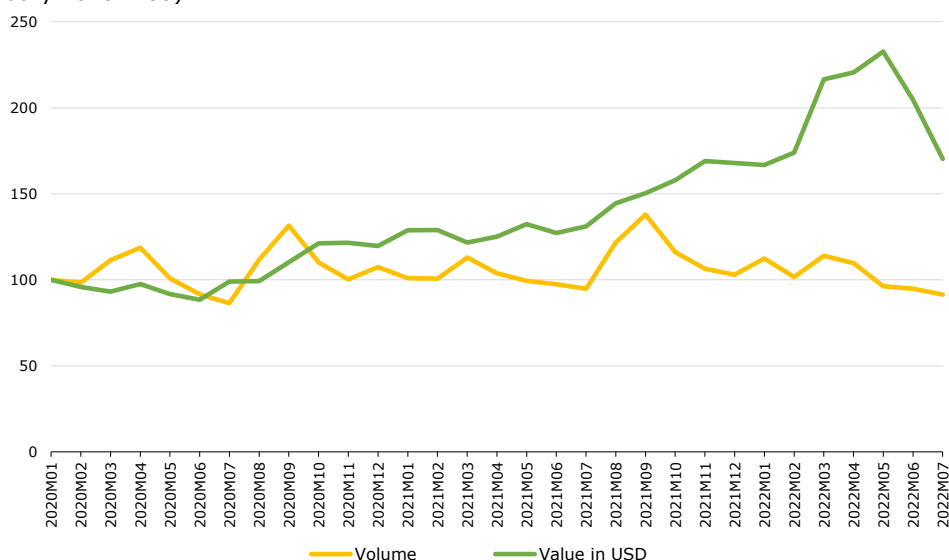
2.9. Food prices in US dollar terms have also risen sharply due to the fact that the Russian Federation and Ukraine are both major suppliers of grains and fertilizers. This has raised food security concerns, especially in low-income countries that tend to spend a large fraction of household income on food. Many currencies have also depreciated against the US dollar in recent months, making imports of food and fuels more expensive in national currency terms.

2.10. Global grain prices were up 21% year-on-year in September 2022 while wheat alone was up 24%. This marks an improvement over April, when grains were up 33% and wheat had risen 76%. Potentially more worrying for the future is the average price of fertilizer, which was up 75% year-on-year in September after tripling since 2020. Reduced supplies and higher prices could cause farmers to use less fertilizer or do without, with negative consequences for crop yields and food security in the coming year.

2.11. While the supply situation for grains may not be as dire as at the start of the war in Ukraine, it is still a cause for concern. This is illustrated by Chart 2.3, which shows the estimated value and volume of world trade in wheat. In July the volume of traded wheat was down nearly 20% compared to March but it was only down 4% compared to July 2021. Underlying data suggest that some countries have responded to higher prices by reducing consumption and imports. Since March, quantities of imported wheat are down year-on-year in the Plurinational State of Bolivia (-69%), Jordan (-41%), Zambia (-38%), Nigeria (-37%), and Ecuador (-30%), among others.

Chart 2.3 Estimated value and volume of world wheat exports, January 2020-July 2022

(Index, January 2020=100)

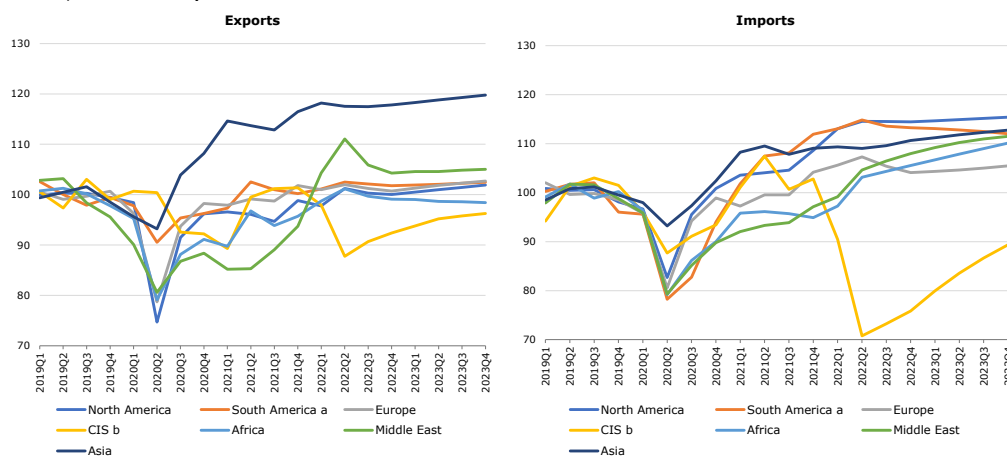


Source: WTO Secretariat estimates based on partner statistics.

2.12. Chart 2.4 shows quarterly merchandise trade volume developments and projections by region from 2019 to 2023. The Commonwealth of Independent States (CIS), including certain associate and former member States, registered a strong 10.4% quarter-on-quarter decline in exports in Q2 as sanctions against the Russian Federation were introduced. Exports from South America, Africa and especially the Middle East beat expectations in the first half of the year, helping to make up for reduced shipments from the CIS region. Exports from North America, Europe, and Asia in the first half of the year were broadly in line with expectations.

Chart 2.4 Merchandise exports and imports by region, 2019Q1-2023Q4

(Volume index, 2019=100)



a South and Central America and the Caribbean.

b Commonwealth of Independent States, including certain associate and former member States.

Source: WTO Secretariat and UNCTAD.

2.13. On the import side, the CIS region plunged 21.7% during the second quarter of 2022, partly as a result of the economic sanctions against the Russian Federation. Imports of other resource-rich regions (South America, Africa, and the Middle East) came in stronger than expected, as high commodity prices inflated export revenues, allowing countries in these regions to import more. North America and Europe recorded stronger than expected import growth in the first half of 2022, but imports of Asian economies stagnated with year-on-year growth of just 0.7%.

2.14. Table 2.1 provides details on the current trade forecasts for 2022 and 2023. The forecast of 3.5% for world merchandise trade volume growth in 2022 is slightly stronger than the previous estimate of 3.0% from April 2022, with the difference mostly explained by statistical revisions and greater availability of data.

2.15. The Middle East is expected to record the strongest export growth of any WTO region in 2022 (14.6%), followed by Africa (6.0%), North America (3.4%), Asia (2.9%), Europe (1.8%) and South America (1.6%). By contrast, CIS exports should decline by 5.8%. The Middle East should also have the fastest trade volume growth on the import side (11.1%), followed by North America (8.5%), Africa (7.2%), South America (5.9%), Europe (5.4%), Asia (0.9%) and CIS (-24.7%).

2.16. One notable feature of Table 2.1 is the resilience of trade growth in Africa and the Middle East in 2022. These regions should see small declines in exports in 2023, but imports will remain strong, each set to grow by 5.7%. The CIS region is expected to post a large growth rate for imports next year of over 9%, but if this happens it will be mostly due to a reduced base in 2022.

Table 2.1 Merchandise trade volume and real GDP, 2018-23^a

(Annual % change)

	2018	2019	2020	2021	2022 ^a	2023 ^a
Volume of world merchandise trade^b	3.2	0.5	-5.2	9.7	3.5	1.0
Exports						
North America	3.9	0.4	-8.9	6.5	3.4	1.4
South America ^c	0.6	-1.3	-4.9	5.6	1.6	0.3
Europe	1.8	0.6	-7.8	7.9	1.8	0.8
CIS ^d	4.1	-0.1	-1.7	0.5	-5.8	3.3
Africa	3.2	-0.4	-8.1	5.2	6.0	-1.0
Middle East	4.8	-1.3	-8.9	1.4	14.6	-1.5
Asia	3.7	0.9	0.5	13.3	2.9	1.1
Imports						
North America	5.1	-0.6	-5.9	12.3	8.5	0.8
South America ^c	4.6	-1.8	-10.7	25.4	5.9	-1.0
Europe	1.9	0.3	-7.3	8.3	5.4	-0.7

	2018	2019	2020	2021	2022 ^a	2023 ^a
CIS ^d	4.0	8.3	-5.5	9.1	-24.7	9.4
Africa	5.5	3.1	-14.7	7.7	7.2	5.7
Middle East	-4.4	11.2	-10.1	8.4	11.1	5.7
Asia	5.0	-0.4	-1.0	11.1	0.9	2.2
Real GDP at market exchange rates	3.2	2.6	-3.4	5.8	2.8	2.3
North America	2.8	2.1	-3.8	5.5	1.7	1.0
South America ^c	0.4	-0.6	-6.9	7.2	3.7	1.6
Europe	2.1	1.7	-5.8	5.8	2.7	0.9
CIS ^d	3.1	2.6	-2.5	4.9	-3.2	-2.1
Africa	3.2	3.0	-2.5	5.1	3.5	3.6
Middle East	1.6	1.3	-4.5	3.5	5.7	3.4
Asia	4.9	4.0	-0.9	6.2	3.7	4.2
Memo: Least-Developed countries (LDCs)						
Volume of merchandise exports	5.4	0.0	-1.8	4.9	7.1	3.8
Volume of merchandise imports	4.9	3.1	-10.9	9.5	6.6	8.9
Real GDP at market exchange rates	4.6	4.9	0.4	2.1	4.4	4.4

a Figures for 2022 and 2023 are projections.

b Average of exports and imports.

c South and Central America and the Caribbean.

d Commonwealth of Independent States (CIS), including certain associate and former member States.

Note: These projections incorporate mixed-data sampling (MIDAS) techniques for selected countries to take advantage of higher-frequency data such as container throughput and financial risk indices.

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

2.2 Trade developments in value terms

2.17. Statistics on merchandise and commercial services trade in value terms are also of interest since they reflect countries' earnings from exports and cost of imports. These are shown in Charts 2.5 and 2.6 in current US dollar terms.

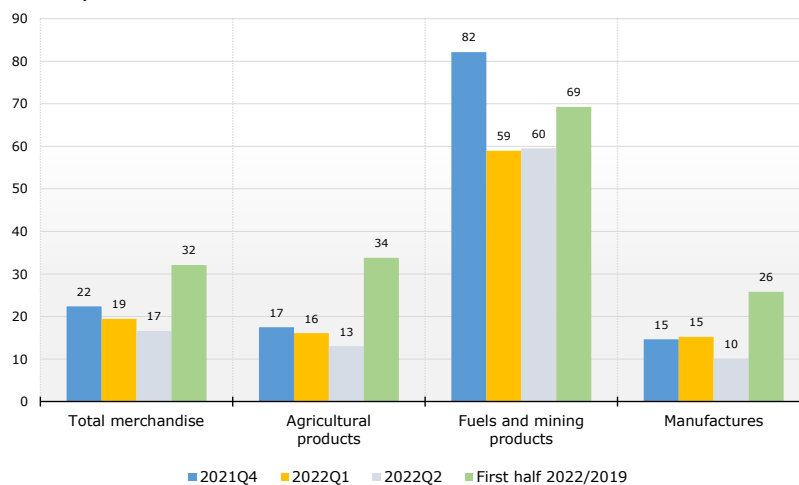
2.18. Chart 2.5 shows year-on-year growth in merchandise exports over the last three quarters. It also compares the value of exports in the first half of 2022 to exports in the first half of 2019, before the pandemic. Total merchandise trade was up 17% year-on-year in the second quarter of 2022, down slightly from 22% in the fourth quarter of 2021. Meanwhile, trade in the first half of 2022 was up 32% compared to 2019. The fact that merchandise trade values are growing at double digit rates while trade growth in volume terms remains in the low single digits indicates strong increases in prices of traded goods.

2.19. Exports of primary products were up more than manufactures in the second quarter of 2022 compared to the same period in the previous year, especially so for fuels and mining products. Trade in manufactures was up 10% year-on-year in the latest quarter while agricultural products were up 13% and fuels and mining products were up 60%. The value of merchandise trade also rose 32% between the first half of 2019 and the first half of 2022 while the value of fuels and mining products was up nearly 70%.

2.20. Quarterly statistics on world commercial services trade for the first half of 2022 have not been released yet, but data for the five largest exporting economies are available (January-July for the United States and China, January-June for the others). Exports of these economies are shown in Chart 2.6, which provides an indication of global trends. Exports of travel and transport services rebounded strongly in 2022 as pandemic-related restrictions have eased. China is the main exception, with travel spending held back by the country's zero-COVID policy. Exports of other services (a category that includes financial and other business services) only grew at a modest pace due to the fact that they did not decline much during the pandemic.

Chart 2.5 Year-on-year growth in world merchandise exports through 2022Q2

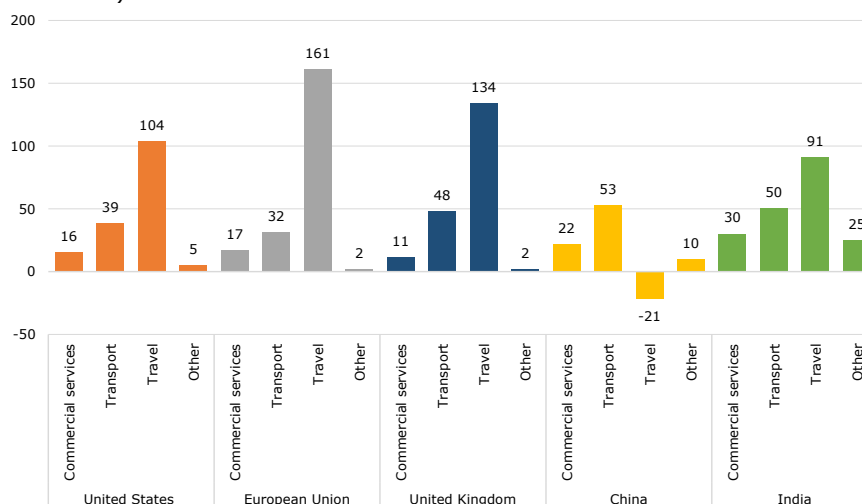
(% change in USD values)



Source: WTO Secretariat and UNCTAD.

Chart 2.6 Year-on-year growth in commercial services exports by category, January-June 2022

(% change in USD terms)



Note: United States and China data refer to January-July.

Source: WTO Secretariat and national statistics.

2.3 Trade-related indicators

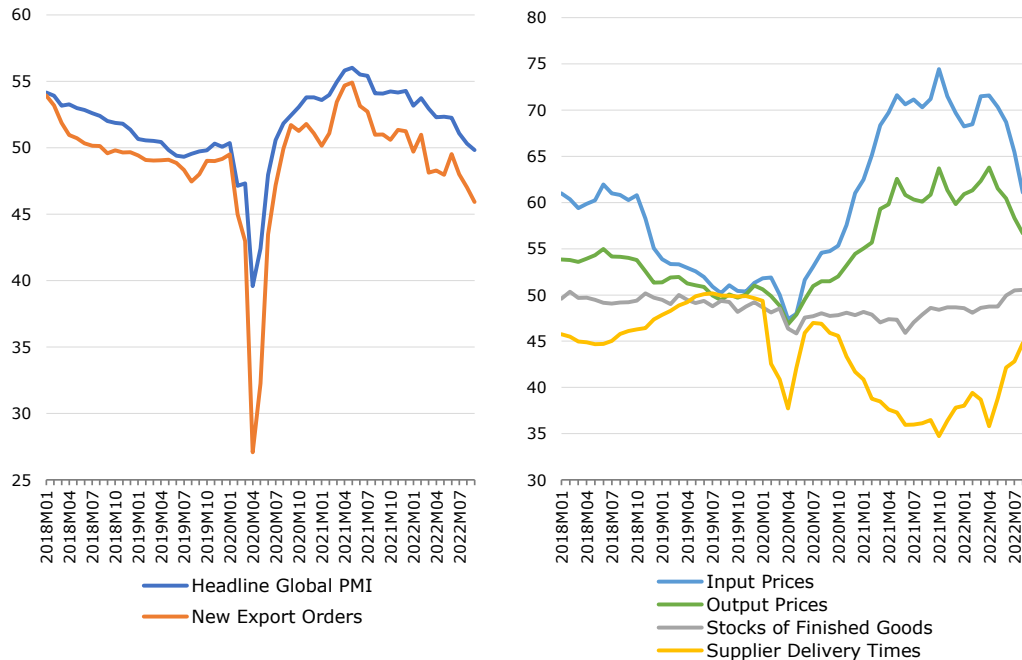
2.21. The WTO tracks a number of trade-related indicators to identify trends and turning points in merchandise and commercial services trade. Some of these are presented below to provide additional context to the forecast.

2.22. Chart 2.7 shows purchasing managers' indices (PMIs), which are monthly economic indicators based on business surveys. J.P. Morgan aggregates PMIs from over 40 countries into a global manufacturing PMI, with values greater than 50 indicating expansion and values less than 50 denoting contraction. The headline PMI index fell from 50.3 in August 2022 to 49.8 in September 2022, marking the first contraction since June 2020. Meanwhile, the sub-index representing new export orders continued to drop, falling from 47.0 in August to 45.9 in September. Overall, these suggest that global manufacturing activity has stalled, and that goods trade will continue to slow in the coming months.

2.23. Other sub-indices of the PMI cast light on the state of global supply chains. An index representing input prices fell from 71.6 in April to 61.2 in September. Another showing final goods prices dropped from 63.8 to 56.6 over the same period. Together, these suggest that inflationary pressures, while still high, may have peaked. Delivery times also shortened in August and stocks of finished goods rose. A few months ago, these would have been seen as positive indications that supply chain pressures were easing, but today they can just as easily be interpreted as signs that global demand is weakening.

Chart 2.7 Global manufacturing PMIs, January 2018 to September 2022

(Diffusion index, base = 50)



Note: Values greater than 50 indicate expansion while values less than 50 denote contraction.

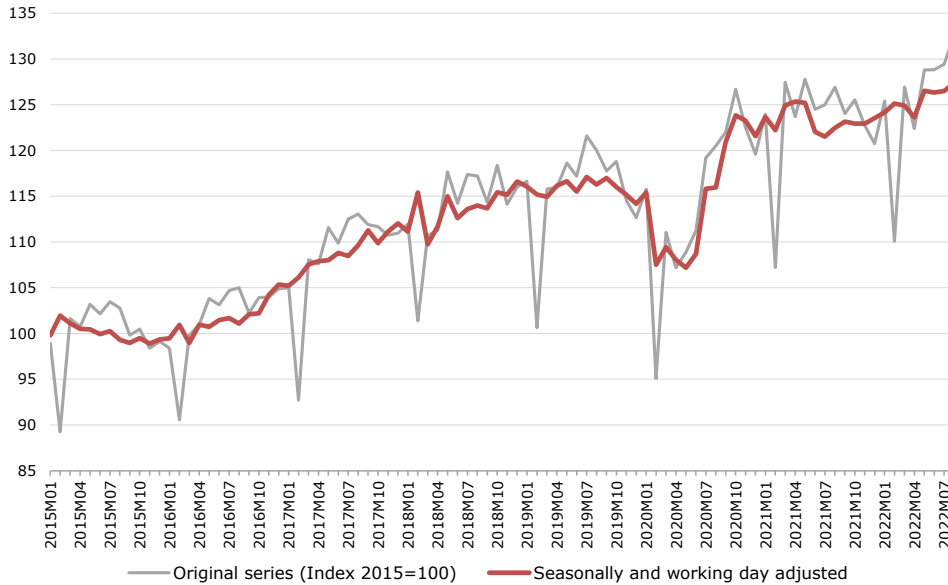
Source: J.P. Morgan and S&P Global.

2.24. The RWI/ISL container throughput index tracks global goods trade quite closely. Although the shipping index reached an all-time high in August 2022, it has been mostly flat since October 2020 (Chart 2.8). Throughput of Chinese ports dipped in the spring due to pandemic-related lockdowns, but traffic rebounded again after these measures were relaxed. The decline in China was partly made up for by increased container handling at US ports, which had previously experienced severe congestion. Overall, the index suggests continued slow growth in merchandise trade.

2.25. The WTO does not forecast commercial services trade, but Chart 2.6 shows that travel and transport services are two of its most dynamic components. This is backed up by Chart 2.9, showing international flights, which are categorized as transport services but are closely related to travel expenditures by international tourists. Daily commercial flights (including those within the European Union) finally exceeded pre-pandemic levels this summer, but by late August they had turned down slightly. Whether this pause is temporary or long-lasting remains to be seen.

Chart 2.8 RWI/ISL global container throughput index, January 2015 to August 2022

(Index 2015=100)

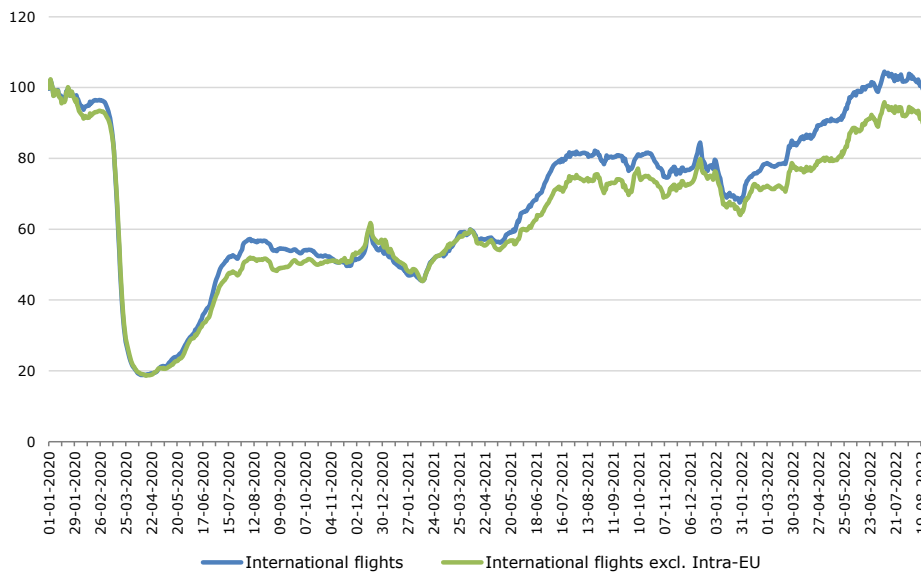


Note: The index is based on data gathered from 94 ports accounting for 64% of global container traffic.

Source: Leibniz Institute for Economic Research and the Institute for Shipping Economics and Logistics.

Chart 2.9 International commercial flights, 1 January 2020 to 22 August 2022

(Index, week of 1 January = 100, 7-day moving average)



Source: OpenSky Network and WTO Secretariat calculations.

2.26. Box 2.1 provides information and empirical research on inflation and the threat to food security.

Box 2.1 Inflation – a threat to food security and the risk of recession – keeping markets open can be part of the solution

Inflation in 2022 is the highest some countries have experienced in decades. In August 2022, year-on-year inflation in the United States was at 8.3% the highest since 1982. Year-on-year inflation 9.1% was in the euro area, and 9.9% in the United Kingdom. Similarly, developing, and emerging market economies recorded inflation of 10.1% (on annual basis) in the second quarter of 2022 and will face 10.8% in the third quarter –

the highest since 1999. The IMF^a forecasts a gradual decline of global headline inflation^b from 8.7% in 2022 to 6.4% in 2023 and 4.1% in 2024.^c

Several factors have led to the current situation. *First*, inflationary pressures in 2021 were initially prompted by a mismatch in demand and supply, consequently amplified by supply chain disruptions. At the onset of the pandemic, most firms anticipated a sustained decline in consumer demand, prompting them to reduce production capacity and cancel orders along their supply chains. However, as lockdowns and associated restrictions weighed down on demand for services, there was a shift towards demand for consumer goods – the latter being more traded. Demand for consumer goods was further stimulated as governments rolled out fiscal support programmes to mitigate the economic fallout from COVID-19. Firms faced a windfall of consumer demand as capacity constraints remained due to the resurgence of new COVID-19 variants in key production and transportation hubs. The IMF acknowledged in its fall 2022 World Economic Outlook that the demand windfall had been the principal factor of inflation during the 2021 recovery. Supply-side bottlenecks related to the COVID-19 omicron variant and the war in Ukraine have, nonetheless, contributed to the resurgence of imported inflation as of the end of 2021 and the beginning of 2022. Historically, global value chains (GVCs) have rather proved to be a disinflationary force, keeping markets open is key for their correct functioning and for capturing their beneficial effects.

Second, reduced transport capacities, followed by the fast economic recovery in 2021 fuelled inflation through increasing transportation costs. The pandemic caused a sharp decline in passenger flights that carry cargo in the airplane belly. This, along with the consolidation of the shipping industry and logistic bottlenecks created by the strong demand recovery, limited transportation capacities and pushed cargo freight rates to record highs. For instance, between 2020 and 2021, freight rates increased by as much as 200% to over 500% on major shipping routes.^d Although air and maritime cargo prices remain above pre-pandemic levels, freight rates have recently started to fall amid a decline in consumer demand, and supply shortages and logistic bottlenecks have started to subside.^e

Third, inflationary pressures are fuelled by the fast increase of energy prices. Reduced exports of natural gas from the Russian Federation to Europe caused European gas prices to almost double between the first and second quarters of 2022, and more than triple by the third quarter.^f The effects spilled over globally as Europe sought alternative sources of natural gas to make up for the shortfall. Oil prices also experienced surges amid fears of supply disruptions – the cost of Brent crude oil peaked at over USD 120/barrel in March 2022, compared to USD 80/barrel in January, and has remained volatile throughout the year.^g Higher energy prices, rising input costs and continued supply chain disruptions have slowed down the recovery in manufacturing industries, thus alighting supply-driven inflation.

Looking forward, the IMF has highlighted the risk of divergent or overly restrictive monetary policies further fuelling the fire. Increasing interest rates is the prevalent instrument central banks use to control inflation. This policy is, however, not without risks. Under-tightening monetary policy may cause continued increases in inflation, while over-tightening may cause economies to go into recession. There is also a cross-country potential inflationary effect from divergent policies. The appreciation of the US dollar, as the Federal Reserve raised interest rates before other major central banks, is one source of inflationary pressures for some economies. Since the US dollar is the dominant trade invoicing currency, the increase in the price of the dollar (in local currency terms) is likely to pass-through to prices of both intermediate inputs and consumer goods outside the United States.

Emerging markets and developing economies are also expected to suffer higher inflation through 2023-24, compared to advanced economies, because of the market's lower responsiveness to monetary policy in these economies. Divergent monetary policy trajectories and the resulting market responses may cause the US dollar to further appreciate relative to some currencies prompting further exchange rate pass-through of inflation.

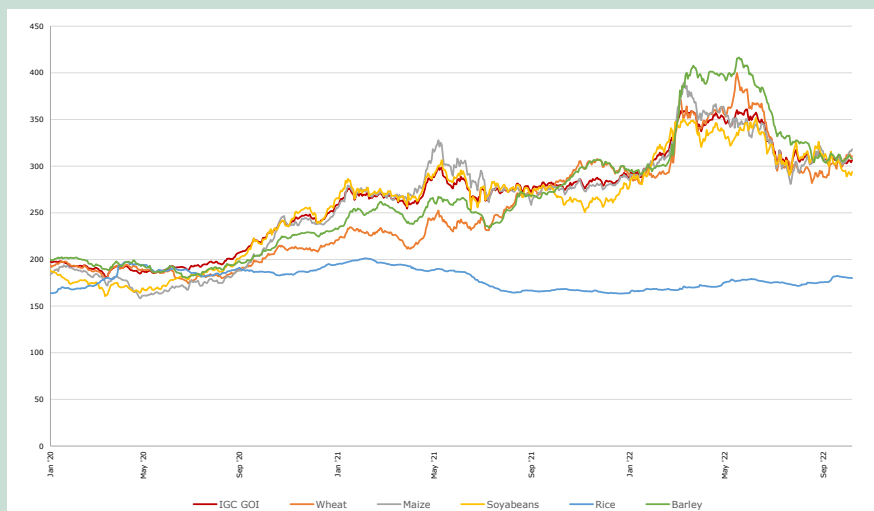
A major concern with current inflationary pressure is food security. According to the World Food Programme (WFP), 345 million people are now at risk of acute food insecurity – up from 135 million in 2019.^h Since the third quarter of 2020, prices of major grains and cereals (with the exception of rice) have been increasing due to factors including supply chain disruptions, high transport, energy and fertilizer costs, extreme weather-related supply shocks, and export restrictions. During early 2022, these prices skyrocketed amid growing uncertainty about the supply of grains from Ukraine and the Russian Federation due to the ongoing conflict. While they have returned to pre-war levels, they continue to remain considerably above pre-pandemic levels (Figure 1).

Even as inflationary pressures begin to decrease, prices remain high. Economies with higher consumption shares of foods with large price increases, large food importers (especially net food importing developing countries), and economies with higher pass-through from international to domestic prices are likely to suffer the most. This includes low-income and developing economies – where up to 50% of total consumption expenditure is on food – as well as regions like Sub-Saharan Africa, where food makes up 40% of the consumption basket and the pass-through from international to domestic prices is relatively high at 30%.ⁱ

It is important that markets remain open to allow goods to flow to where they are needed the most. In this regard, WTO Members' agreement at MC12 on exempting the WFP's food purchases from export restrictions, therefore saving the agency time and money as it delivers food to the world's most vulnerable populations, is an important step in the right direction. More can be done to remove supply chains bottlenecks and get GVCs

back to the disinflationary role that have played in the past. WTO Members have reduced the number of export restrictions in place. This is also a welcome trend.

Figure 1 IGC grains and oilseeds index and sub-indices (daily)



- a IMF World Economic Outlook: October 2022.
 b Headline inflation is the change in prices of all goods included in the CPI basket of goods.
 c These forecasts are subject to various assumptions, including no further reductions in natural gas flows from the Russian Federation to Europe beyond the 80% reduction compared to last year, stable long-term inflation expectations, and that disinflationary monetary tightening does not cause a widespread recession or disorderly adjustments in the financial markets.
 d Viewed at: https://www.wto.org/english/tratop_e/serv_e/covid_and_rising_shipping_rates.pdf.
 e Viewed at: <https://www.economist.com/graphic-detail/2022/09/30/global-shipping-costs-are-plunging-as-the-world-economy-slows>; <https://www.wsj.com/articles/freight-rates-are-starting-to-fall-as-shipping-demand-wavers-11657454400>; <https://www.aircargonews.net/business/jumpy-airfreight-market-sees-spot-rates-fall-again/>.
 f Viewed at: <https://www.ft.com/content/ef02dd38-7cc6-4c13-914e-e2b6b2b8ee9d>.
 g Viewed at: <https://markets.ft.com/data/commodities/tearsheet/summary?c=Brent+Crude+Oil>.
 h Viewed at: <https://www.wfp.org/global-hunger-crisis>.
 i IMF World Economic Outlook October 2022.

Note: Jan 20 = 100.

Source: WTO Secretariat.

2.27. Box 2.2 provides perspectives on the importance of diversification and GVCs resilience.

Box 2.2 Global supply chain resilience during the pandemic and the importance of diversification to deal with future shocks

Disruptions to global supply chains have been headline news since the beginning of the pandemic. Lockdowns and other policies enacted to combat the pandemic have caused sharp increases in delivery times and shipping costs for essential and everyday goods. The FBX Global Container Freight Index, a measure of global shipping costs across major routes in the world, increased by eight times, from about USD 1,300 per container to a peak of USD 11,000 in September 2021.^a This was reinforced by major changes in the composition of demand from services to goods.

The focus on disruptions ignores that global supply chains were surprisingly resilient. While intermediate trade decreased by 10% in the first half of 2020^b, it recovered quickly and was key to sustain the surge in demand for goods. Solutions such as the increased use of digital tools, from platforms to e-signatures, emerged soon after the shock of the pandemic and kept trade going. Already by the third quarter of 2020, intermediate trade reached pre-pandemic levels and by the end of 2021 it grew by more than 55% relative to its 2020 trough.^c While delivery lead times remain elevated, much of this is caused by demand shifts and policy interventions that were not foreseen by businesses rather than by the international nature of supply chains.

Global value chains have played a key role in the production and distribution of personal protective equipment and vaccine components. The pandemic caused an unexpected and dramatic increase in demand for various items from face masks to COVID-19 test and vaccine components. Over just three months in 2020, imports of face masks increased more than 15 times in the United States. Exports of laboratory reagents were up to 77% higher relative to pre-crisis levels.^d None of this would have been possible without highly resilient and agile supply chains spread across the world to balance out local lockdowns and demand volatility.

Yet the COVID-19 pandemic has highlighted that increased diversification, or re-globalization, can improve the preparedness of global supply chains. Trade enables firms to diversify sources of demand and supply, thus reducing a country's exposure to country-specific shocks. Empirical evidence shows that firms with more diversified suppliers display a lower volatility and are more resilient to epidemics.^e Businesses have realized this already before the pandemic. In the past decade, different factors from rising wages in emerging markets to increased trade policy uncertainty caused them to shift assembly from China to countries like Viet Nam or Cambodia.^f The pandemic has accelerated this phenomenon offering countries that were on the margins of global supply chains chances to participate. An example in this regard is India, which might produce by 2025 up to 25% of all Apple iPhones after being outside of manufacturing supply chains for years.^g

To benefit, countries must invest in open and predictable markets. The COVID-19 pandemic has brought attention to potential market failures in value chain organization. These may be caused by firms not investing sufficiently in strategies to mitigate the risk of extreme events because they do not consider the impact of their decisions on firms upstream or downstream.^h The optimal response to this is providing open and predictable markets rather than separating the world into blocs or relying on purely domestic supply networks. Empirical research has shown that openness reduces macroeconomic volatility through diversification.ⁱ In addition, restrictions to foreign inputs hurt a country's own exports and limit product innovations.^j Even more, such policies risk to put an end to decades of trade-induced poverty reduction and development.

- a Viewed at: [International Shipping Costs During and After COVID-19 \(stlouisfed.org\)](https://www.stlouisfed.org).
- b Viewed at: [World Trade Statistical Review 2021 \(wto.org\)](https://www.wto.org).
- c Viewed at: [Information note on trade in intermediate goods \(wto.org\)](https://www.wto.org).
- d Viewed at: [Global supply chains at work: A tale of three products to fight COVID-19 \(oecd.org\)](https://www.oecd.org).
- e Herskovic, B., Kelly, B., Lustig, H. and Van Nieuwerburgh, S. (2020), Firm volatility in granular networks, NBER Working Paper 19466; Huang, H. (2019), 'Germs, roads and trade: Theory and evidence on the value of diversification in global sourcing', *SSRN Electronic Journal*.
- f Viewed at: [GVC Development Report 2021 \(wto.org\)](https://www.wto.org).
- g Viewed at: [Apple may move a quarter of iPhone production to India by 2025 -JPM \(reuters.com\)](https://www.reuters.com).
- h Bacchetta, M., et al. (2021) 'COVID-19 and global value chains' WTO Staff Working Paper 2021-3.
- i Caselli, F., Koren, M., Lisicky, M. and Tenreyro, S. (2020), 'Diversification Through Trade', *The Quarterly Journal of Economics* 135(1):449-502.
- j Handley, K., Kamal, F., and Monarch, R. (2020), "Rising Import Tariffs, Falling Export Growth", NBER Working Paper 26611; Goldberg, P., et al. (2010) 'Imported Intermediate Inputs and Domestic Product Growth: Evidence from India', *Quarterly Journal of Economics* 125(4):1727-1767.

Source: WTO Secretariat.

3 TRADE AND TRADE-RELATED POLICY DEVELOPMENTS

3.1 Overview of trends identified during the review period

3.1. This Section provides analysis of selected trade and trade-related policy developments in the area of goods during the period from mid-October 2021 to mid-October 2022. It is divided into three parts. The first part looks at regular, i.e., non-COVID-related measures implemented during the review period, including calculations on trade coverage. The second part, in Section 3.1.2, covers measures taken in the context of the COVID-19 pandemic. These COVID-19 related measures are not included in the trade coverage calculations and are not counted towards the aggregate numbers in part 1. The third part, in Section 3.1.3, provides an overview of trade-related developments in the context of the war in Ukraine and the food crisis, since the beginning of the conflict.

3.2. A separate Addendum¹ to this Report contains Annexes 1, 2 and 3 on recorded trade and trade-related measures taken by WTO Members and Observers from 16 October 2021 to 15 October 2022, in the area of trade in goods. Services measures are analysed in Section 4 of this Report and are listed in Annex 4 of the Addendum.

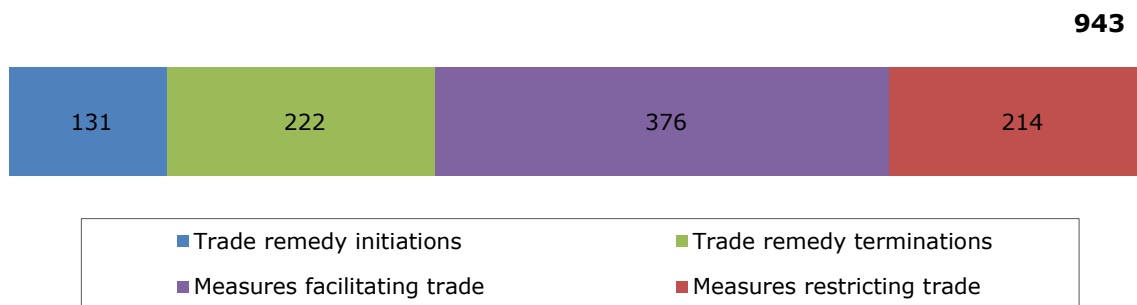
3.3. This separate Addendum lists new regular (non-COVID-19-related) measures recorded during the review period.

3.1.1 Regular trade measures

3.4. A total of 943 trade measures were recorded for WTO Members and Observers during the review period (Chart 3.1).² This figure includes measures facilitating trade, trade remedy measures and other trade and trade-related measures, i.e., trade-restrictive measures.

3.5. Chart 3.2 illustrates the trade coverage³ of the measures recorded for WTO Members and Observers during the review period. These figures also include measures on food, feed and fertilizers.

Chart 3.1 Number of measures introduced between mid-October 2021 and mid-October 2022

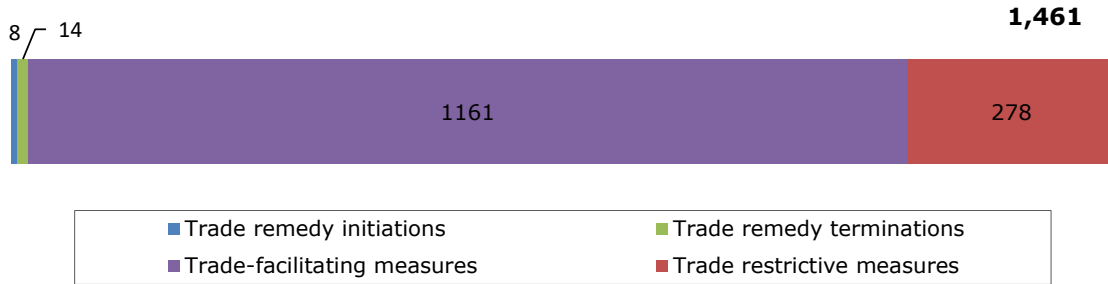


Source: WTO Secretariat.

¹ WTO document WT/TPR/OV/25/Add.1, 22 November 2022.

² These Annexes do not include SPS and TBT measures, which are covered in Sections 3.3 and 3.4.

³ The trade coverage does not include trade for measures that have been implemented and terminated within the review period. Trade coverage estimates for the review period were based on 2021 merchandise trade.

Chart 3.2 Trade coverage of import and export measures introducing between mid-October 2021 and mid-October 2022 in USD billion

Note: Trade-facilitating measures cover import and export-facilitating measures. Trade-restrictive measures cover import and export restrictive measures.

Source: WTO Secretariat.

Measures facilitating trade

3.6. During the review period, 376 new trade-facilitating measures were recorded for WTO Members and Observers.⁴ This represents 39.9% of the total number of measures recorded.

3.7. Most of the trade-facilitating measures are on the import side (Table 3.1). The reduction or elimination of import tariffs (257 measures or 68.4%) make up the bulk of trade-facilitating measures, followed by the elimination or simplification of export quantitative restrictions (QRs) (38 measures or 10.1%) and import QRs (32 measures or 8.5%). The monthly average of 31.3 facilitating measures recorded for the period is the highest since 2012.

Table 3.1 Measures facilitating trade (Annex 1)

Type of measure	2014	2015	2016	2017	2018	2019	2020	2021	Mid-Oct 20 to mid-Oct 21 (WT/TPR/OV/24)	Mid-Oct 21 to mid-Oct 22 (WT/TPR/OV/245)
Import	181	205	148	113	144	100	96	136	117	324
- Tariff	150	154	112	93	119	85	84	112	100	257
- Customs procedures	17	30	27	17	15	2	3	6	5	21
- Tax	2	5	4	3	6	5	8	8	6	8
- QRs	11	5	1	0	3	1	1	8	6	32
- Other	1	11	4	0	1	7	0	2	0	6
Export	9	40	32	24	18	14	7	15	15	52
- Duties	3	18	5	1	6	10	5	11	11	12
- QRs	3	3	1	2	0	1	1	3	3	38
- Other	3	19	26	21	12	3	1	1	1	2
Other	1	4	3	0	0	1	1	2	3	0
Total	191	249	183	137	162	115	104	153	135	376
<i>Average per month</i>	<i>15.9</i>	<i>20.8</i>	<i>15.3</i>	<i>11.4</i>	<i>13.5</i>	<i>9.6</i>	<i>8.7</i>	<i>12.8</i>	<i>11.3</i>	<i>31.3</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 estimated at USD 1,038.4 billion, i.e., 4.7% of the value of world merchandise imports. The trade coverage is the second highest recorded for this type of measures since October 2012 (Table 3.2 and Chart 3.3).

⁴ This figure also includes measures taken in response to the conflict and terminations of restrictive measures that were implemented during the review period.

3.9. The HS Chapters within which most of the import-facilitating measures were taken, in terms of trade coverage, include mineral fuels and oils (HS 27) (20.5%), electrical machinery and parts thereof (HS 85) (11.8%), machinery and mechanical appliances (HS 84) (9.3%), and organic chemicals (HS 29) (8.2%).

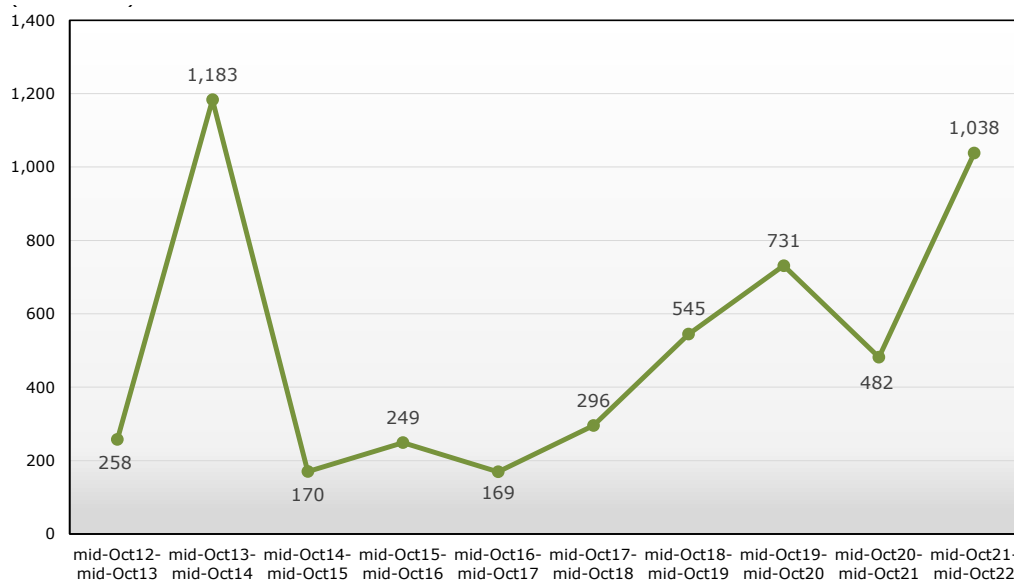
Table 3.2 Share of trade covered by trade-facilitating measures

(%)

	Mid-Oct 13 to mid-Oct 14	Mid-Oct 14 to mid-Oct 15	Mid-Oct 15 to mid-Oct 16	Mid-Oct 16 to mid-Oct 17	Mid-Oct 17 to mid-Oct 18	Mid-Oct 18 to mid-Oct 19	Mid-Oct 19 to mid-Oct 20	Mid-Oct 20 to mid-Oct 21	Mid-Oct 21 to mid-Oct 22
Share in total world imports	6.40	0.91	1.51	1.07	1.68	2.80	3.88	2.74	4.72

Source: WTO Secretariat and UN Comtrade database.

Chart 3.3 Trade coverage of new import-facilitating measures in each reporting period (not cumulative) in 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.

3.10. The trade coverage of the export-facilitating measures introduced during the review period was estimated at USD 122.1 billion, i.e., 0.6% of the value of world merchandise imports. The HS Chapters within which most of the export-facilitating measures were taken, in terms of trade coverage, include mineral fuels and oils (HS 27) (46.4%), vegetable oils (HS 15) (26.7%), and cereals (HS 10) (10.0%).

3.11. Overall, the trade coverage of the import- and export-facilitating measures introduced during the review period was estimated at USD 1,160.5 billion.

Trade remedy actions

3.12. During the period under review, 353 trade remedy actions (131 initiations and 222 terminations) were recorded for WTO Members and Observers (Annex 2 of the Addendum), accounting for 37.4% of all trade-related measures recorded in this Report.

3.13. After reaching its highest peak so far in 2020, the average number of trade remedy initiations during the review period was 10.9 per month, the lowest since 2012. The monthly average of trade remedy terminations recorded during the review period was 18.5, slightly higher than that of 2020 (Table 3.3 and Chart 3.4).

Table 3.3 Trade remedy actions (Annex 2)

Type of Measure	2014	2015	2016	2017	2018	2019	2020	2021	Mid-Oct 20 to mid-Oct 21 (WT/TPR/OV/24)	Mid-Oct 21 to mid-Oct 22 (WT/TPR/OV/25)
Initiations	304	277	343	298	273	281	433	213	248	131
- AD	236	229	298	249	202	215	355	186	214	103
- CVD	45	31	34	41	55	36	56	18	25	22
- SG	23	17	11	8	16	30	22	9	9	6
<i>Average per month</i>	<i>25.3</i>	<i>23.1</i>	<i>28.6</i>	<i>24.8</i>	<i>22.8</i>	<i>23.4</i>	<i>36.1</i>	<i>17.8</i>	<i>20.7</i>	<i>10.9</i>
Terminations	220	212	171	158	225	184	216	302	311	222
- AD	185	167	141	129	201	167	185	258	275	199
- CVD	23	25	15	12	24	7	12	23	23	16
- SG ^a	12	20	15	17	0	10	19	21	13	7
<i>Average per month</i>	<i>18.3</i>	<i>17.7</i>	<i>14.3</i>	<i>13.2</i>	<i>18.8</i>	<i>15.3</i>	<i>18</i>	<i>25.2</i>	<i>25.9</i>	<i>18.5</i>

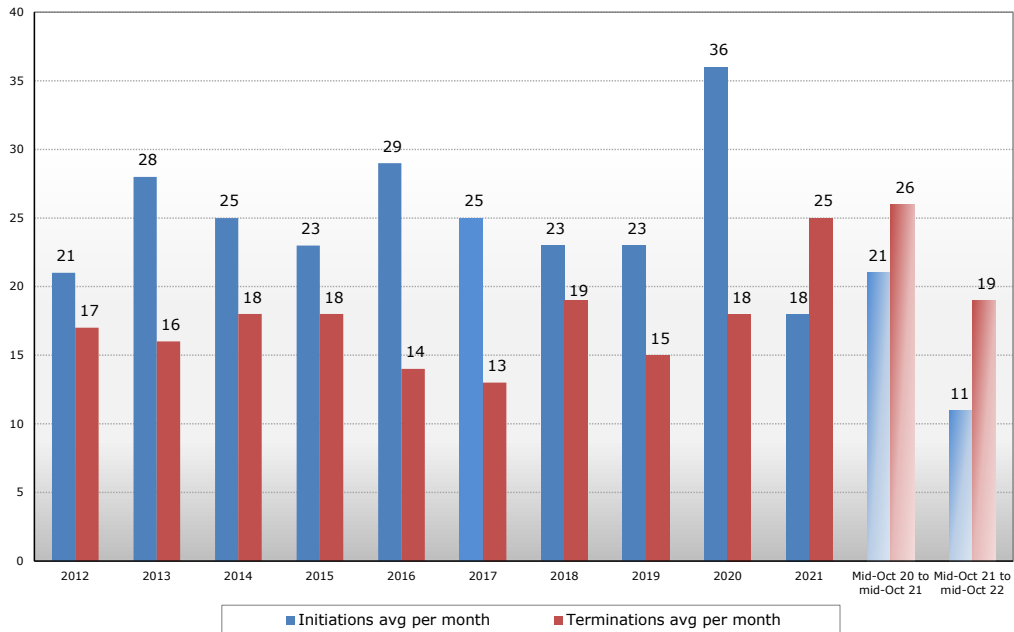
Note: The information on trade remedy actions for 2014 to 2021 is based on the semi-annual notifications. For the present review period, the information is also based on the responses and the verifications received directly from Members. Anti-dumping and countervailing investigations are counted based on the number (*n*) 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.

a The figure for a specific year is the sum of the following: (i) all ongoing investigations terminated during that specific year without any measure; and (ii) all imposed measures expired during the course of that specific year.

Source: WTO Secretariat.

3.14. The trade coverage of all trade remedy investigations initiated during the review period was USD 8.3 billion, i.e., 0.04% of the value of world merchandise imports, the lowest registered since 2013 (Table 3.4). For terminations, the trade coverage was valued at USD 14.0 billion (0.06% of the value of world merchandise imports).

3.15. Trade remedy actions taken during the review period, in terms of trade coverage, included initiations of investigations on articles of iron and steel (HS 73) (22.6%), miscellaneous chemical products (HS 38) (18.6%), ceramic products (HS 69) (7.6%) and plastic and articles thereof (HS 39) (7.5%).

Chart 3.4 Trade remedies initiations and terminations, average number per month

Note: Values are rounded.

Source: WTO Secretariat.

Table 3.4 Share of trade covered by trade remedy initiations

(%)

	Mid-Oct 13 to mid-Oct 14	Mid-Oct 14 to mid-Oct 15	Mid-Oct 15 to mid-Oct 16	Mid-Oct 16 to mid-Oct 17	Mid-Oct 17 to mid-Oct 18	Mid-Oct 18 to mid-Oct 19	Mid-Oct 19 to mid-Oct 20	Mid-Oct 20 to mid-Oct 21	Mid-Oct 20 to mid-Oct 21
Share in total world imports	0.20	0.17	0.55	0.48	0.53	0.24	0.36	0.15	0.04

Source: WTO Secretariat and UN Comtrade database.

Other trade and trade-related measures

3.16. Annex 3 of the Addendum to this Report lists measures that may be considered to have a trade-restrictive effect. A total of 214 new trade-restrictive measures were recorded for WTO Members and Observers during the review period. Most of the trade-restrictive measures recorded are export measures. For the first time since the beginning of the Trade Monitoring Exercise the number of new export restrictions (129 or 60.3% of all) has outpaced that of import restrictions (85 or 39.7%).

3.17. Export restrictions mainly included the imposition of quantitative restrictions and increases of export duties. Import restrictions consisted of increases of import tariffs mainly, followed by the imposition of quantitative restrictions. The average of 17.8 trade-restrictive measures per month is the highest recorded since 2016 (Table 3.5).

Table 3.5 Other trade and trade-related measures (Annex 3)

Type of measure	2014	2015	2016	2017	2018	2019	2020	2021	Mid-Oct 20 to mid-Oct 21 (WT/TPR/OV/24)	Mid-Oct 21 to mid-Oct 22 (WT/TPR/OV/25)
Import	132	166	98	84	114	77	72	75	63	85
- Tariff	83	106	63	47	70	46	40	36	24	50
- Customs procedures	19	32	16	19	6	6	10	21	21	9
- Tax	8	10	6	9	13	6	6	5	6	0
- QRs	7	12	12	7	16	14	10	11	8	20
- Other	15	6	1	2	9	5	6	2	4	6
Export	26	44	20	18	18	19	27	66	62	129
- Duties	12	13	6	4	9	7	4	14	14	17
- QRs	8	7	10	8	4	3	11	27	23	96
- Other	6	24	4	6	5	9	12	25	25	16
Other	12	13	11	14	0	2	0	5	5	0
- Local content	11	13	7	12	0	1	0	4	4	0
- Other	1	0	4	2	0	1	0	1	1	0
Total	170	223	129	116	132	98	99	146	130	214
<i>Average per month</i>	<i>14.2</i>	<i>18.6</i>	<i>10.8</i>	<i>9.7</i>	<i>11.0</i>	<i>8.2</i>	<i>8.3</i>	<i>12.2</i>	<i>10.8</i>	<i>17.8</i>

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

Source: WTO Secretariat.

3.18. The trade coverage of the import-restrictive measures implemented during the review period was estimated at USD 163.5 billion, i.e., 0.7% of the value of world merchandise imports (Table 3.6 and Chart 3.5). These figures are slightly higher than those of the previous period but remain below the average trend observed since 2012.

3.19. The import-restrictive measures recorded during the review period cover a wide range of products. The main sectors affected (HS Chapters), in terms of trade coverage, were precious metals and stones (HS 71) (35.8%), machinery and mechanical appliances (HS 84) (10.7%), electrical machinery and parts thereof (HS 85) (10.2%) and iron and steel (HS 72) (7.5%).

Table 3.6 Share of trade covered by import-restrictive measures (Annex 3)

(%)

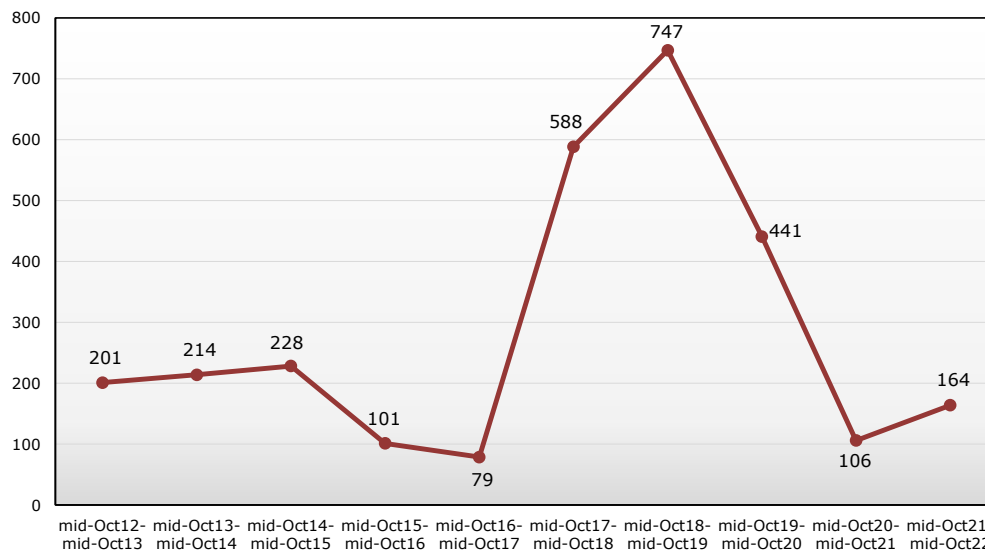
	Mid-Oct 13 to mid-Oct 14	Mid-Oct 14 to mid-Oct 15	Mid-Oct 15 to mid-Oct 16	Mid-Oct 16 to mid-Oct 17	Mid-Oct 17 to mid-Oct 18	Mid-Oct 18 to mid-Oct 19	Mid-Oct 19 to mid-Oct 20	Mid-Oct 20 to mid-Oct 21	Mid-Oct 21 to mid-May 22
Share in total world imports	1.17	1.23	0.62	0.50	3.33	3.84	2.40	0.60	0.74

Source: WTO Secretariat and UN Comtrade database.

3.20. The trade coverage of the export-restrictive measures implemented during the review period was estimated at USD 114.5 billion, i.e., 0.5% of the value of world merchandise exports. The export-restrictive measures recorded cover a wide range of products. The main sectors affected (HS Chapters), in terms of trade coverage, were vegetable oils (HS15) (28.0%), cereals (HS10) (21.6%), machinery and mechanical appliances (HS 84) (9.7%) and electrical machinery and parts thereof (HS 85) (5.6%).

3.21. Overall, the trade coverage of the import- and export-restrictive measures implemented during the review period was estimated at USD 278.0 billion.

Chart 3.5 Trade coverage of new import-restrictive measures in each reporting period (not cumulative) in 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.

Stockpile of import-restrictive measures

3.22. Estimating the roll-back of import-restrictive measures, and eventually the overall stockpile, is made complex by the fact that many temporary measures remain in place beyond the envisaged termination date. Moreover, the Secretariat does not always receive accurate information on changes to reported measures. As a result, the figures below are estimates based on the information recorded in the TMDB since 2009. These estimates are conditioned by the availability of termination dates of the import-restrictive measures and of the HS codes of products covered.⁵

3.23. Table 3.7 and Chart 3.6 show that the stockpile of import restrictions in force has grown steadily (and in fact since 2009) – in value terms and as a percentage of world imports – and that a significant increase in both took place from 2017 to 2018. This specific jump is largely explained by measures introduced on steel and aluminium, and by various tariff increases introduced as part of bilateral trade tensions. Global imports decreased substantially in 2020 compared to 2019. The decline was also reflected in total imports and in the value of the import restrictions in force. Global trade grew again in 2021, due to rising export and import prices as inflation became a global phenomenon.

3.24. For 2022⁶, the trade covered by import restrictions in force was estimated at USD 2,070 billion, representing 9.3% of world merchandise imports.

3.25. For this Report, no information was received from Members about the termination of import restrictions.

⁵ Only import measures where HS codes were available are included in the calculation.

⁶ Tentative figures based on 2021 import data and measures recorded up to 15 October 2022.

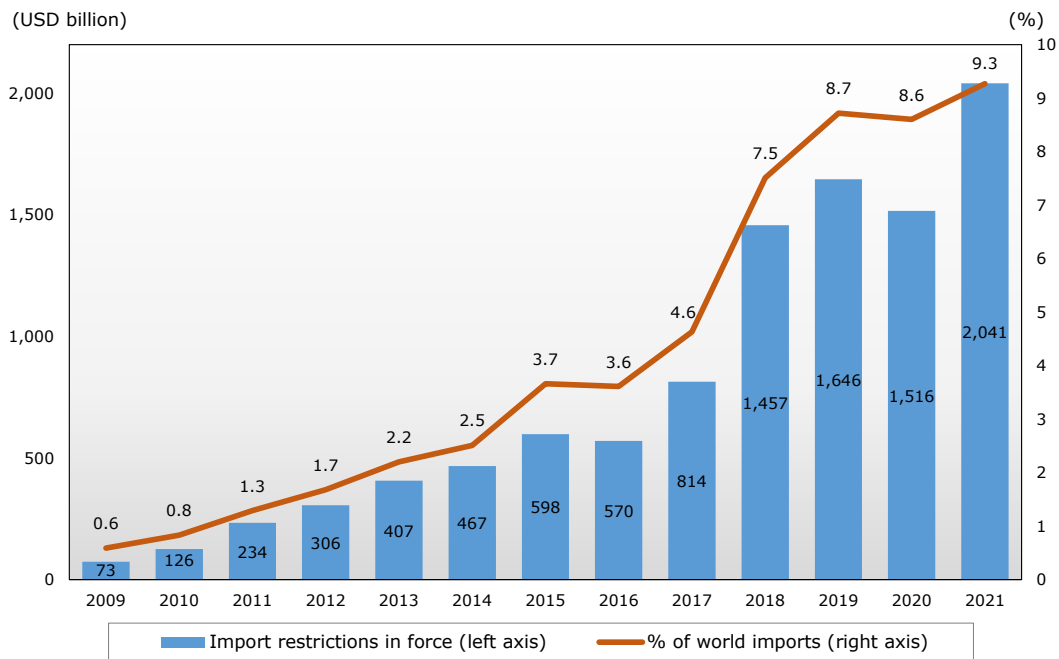
Table 3.7 Cumulative trade coverage of import-restrictive measures since 2010 to 2021

(USD billion, unless otherwise indicated)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Total imports (world)	18,109	18,193	18,483	18,654	16,360	15,812	17,587	19,402	18,883	17,625	22,020
Total import restrictions in force	234	306	407	467	598	570	814	1,457	1,646	1,516	2,041
Share in world imports (%)	1.29	1.68	2.20	2.51	3.66	3.61	4.63	7.51	8.72	8.60	9.27
Total import restrictions terminated	15.43	59.41	37.15	34.05	1.51	38.09	3.88	5.45	13.12	n.a.	n.a.
Share in world imports (%)	0.09	0.33	0.20	0.18	0.01	0.24	0.02	0.03	0.07	n.a.	n.a.

n.a. Not applicable.

Source: WTO calculations, based on UN Comtrade database.

Chart 3.6 Cumulative trade coverage of import-restrictive measures on goods since 2009

Note: The cumulative trade coverage estimated by the Secretariat is based on information available in the TMDB on import measures recorded since 2009 and considered to have a trade-restrictive effect. The estimates include import measures for which HS codes were available. The figures do not include trade remedy measures. The import values were sourced by the UN Comtrade database.

Source: WTO Secretariat.

3.1.2 COVID-19 trade and trade-related measures

3.26. During the review period 45 COVID-19 measures on goods – mostly facilitating measures – were communicated by 49 Members.⁷ Of these, 42 measures were implemented during the review period and 3 referred to 2020. Most of the 45 pandemic-related measures targeted imports (35 or

⁷ Australia, Bangladesh, Belize, Brazil, Brunei Darussalam, Canada, Cambodia, Costa Rica, El Salvador, European Union (EU(27) and its member States are counted separately), Honduras, India, Kazakhstan, Mali, Mauritius, Myanmar, Nepal, Philippines, Kingdom of Saudi Arabia, Chinese Taipei, Thailand and United Kingdom.

77.7%) while the remaining were export measures (10 or 22.2%). Of these, 15 (33.3%) measures were temporary in nature and have been already terminated.

3.27. Overall, since the outbreak of the pandemic, 443 trade and trade-related measures in the area of goods have been implemented by WTO Members and Observers (Table 3.8)⁸, of which 246 (55.5%) were of a trade-facilitating nature and 197 (44.5%) were trade-restrictive.

3.28. Members continued to phase out the pandemic-related measures, and in particular the restrictive ones. According to information received by the Secretariat, as of mid-October 2022, 134 (54.5%) of the COVID-19 trade-facilitating and 156 (79.2%) of the trade-restrictive measures have been repealed.

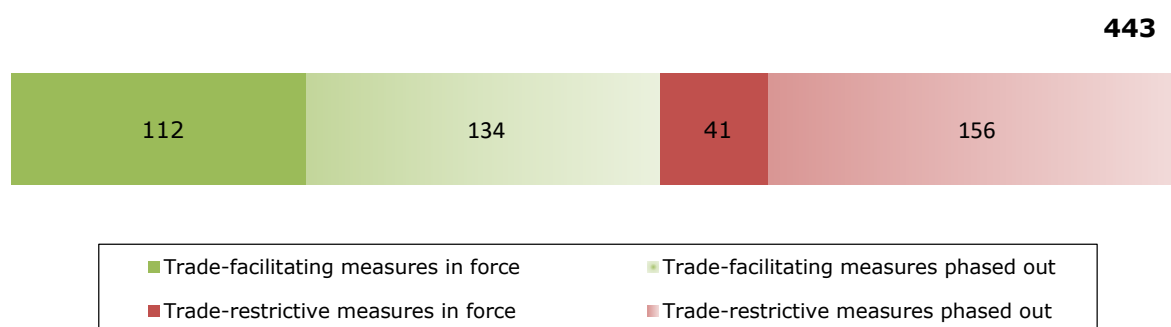
Table 3.8 Number of COVID-19 trade and trade-related measures since the outbreak

	Facilitating	Phased out	Restrictive	Phased out	Total
Import	201	113	20	10	221
Export	29	16	168	141	197
Other	16	5	9	5	25
Total	246	134	197	156	443

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

Source: WTO Secretariat.

Chart 3.7 Number of COVID-19 trade and trade-related measures on goods, by mid-October 2022



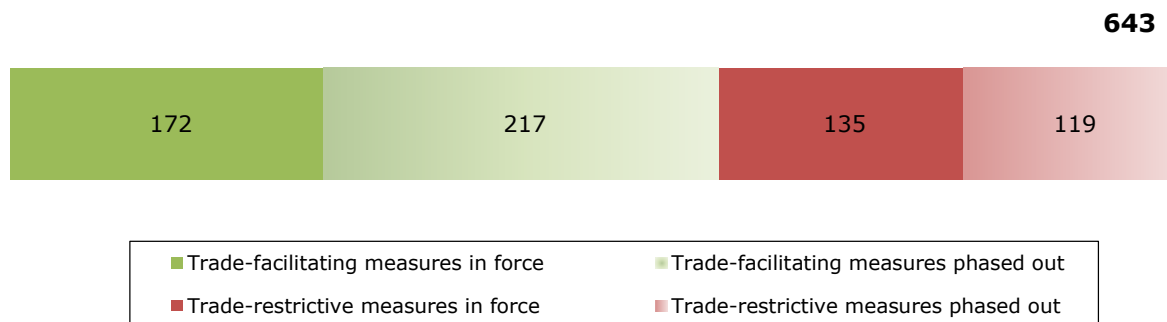
Source: WTO Secretariat.

3.29. The reduction or elimination of import tariffs and import taxes make almost 81.7% of trade-facilitating measures taken since the beginning of the pandemic. Certain WTO Members and Observers reduced their tariffs on a variety of goods such as personal protective equipment (PPE), sanitizers, disinfectants, medical equipment, and medicine/drugs. In many cases, tariff reductions were also accompanied by exemptions from VAT and other taxes. Extensions, often more than once, of some measures were implemented, while other measures have simply remained in force.

3.30. About 85.3% of all COVID-19 trade-restrictive measures are export-related. The roll-back of trade-restrictive measures taken in the early stages of the pandemic continued during the review period especially on the export side. As of mid-October 2022, 27 COVID-19-related export restrictions were still in place.

⁸ Measures implemented in the context of the pandemic up can be viewed at: https://www.wto.org/english/tratop_e/covid19_e/covid19_e.htm.

Chart 3.8 Trade coverage of COVID-19 trade and trade-related measures on goods, by mid-October 2022 in USD billion



Source: WTO Secretariat.

3.31. The trade coverage of the COVID-19 trade-facilitating measures implemented since the outbreak of the pandemic was estimated to amount to USD 389.8 billion, and that of trade-restrictive to USD 253.5 billion.⁹ Members and Observers have continued repealing the measures implemented in response to the pandemic. The trade coverage of the COVID-19 trade-restrictive measures repealed since the beginning of the pandemic was estimated at USD 118.9 billion and that of trade-facilitating measures at USD 217.4 billion.

3.32. Although the number of the pandemic-related trade restrictions that are still in place has decreased, their trade coverage remains important (41 import and export restrictions-USD 134.6 billion) compared to that of trade-facilitating measures (112 import and export measures-USD 172.4 billion) (Chart 3.8).

3.1.3 Developments in the context of the war in Ukraine and the food crisis

3.33. The war in Ukraine has severely impacted a global economy confronted with multiple interlinked crises, including on food, energy and climate change, compounding the aftermath of the COVID-19 pandemic.

Export restrictions on food, feed and fertilizers

3.34. Since the outbreak of the war, the WTO Secretariat has identified 72 trade-restrictive measures introduced by 26 WTO Members and 5 Observers¹⁰ on essential agricultural commodities, of which 66 applied to food and feed (90.4%) and 6 targeted fertilizer exports (9.6%). As of mid-October 2022, 20 of these export restrictions have been phased out, bringing the number of restrictions currently in force to 52.¹¹

3.35. The trade coverage¹² of the export restrictive measures introduced during the review period was estimated at USD 110.0 billion, out of which USD 8.0 billion referred to fertilizers. Several export restrictions have been repealed and their trade coverage have been estimated at USD 53.4 billion, of which USD 7.3 billion on fertilizers. Thus, the trade coverage of export restrictions that are still in place was estimated at USD 56.6 billion.

⁹ Including imports and exports and based on annual 2021 trade figures. For Albania, Algeria, Kingdom of Bahrain, Bangladesh, the Gambia, Kazakhstan, Mali, Saint Kitts and Nevis, Seychelles, and Viet Nam data for previous full calendar years were used, as 2021 data were not yet available.

¹⁰ Afghanistan, Algeria, Argentina, Azerbaijan, Bangladesh, Belarus, Plurinational State of Bolivia, Burkina Faso, China, Egypt, Georgia, Ghana, Hungary, India, Indonesia, Kazakhstan, State of Kuwait, Kyrgyz Republic, Lebanon, Malaysia, Republic of Moldova, Morocco, North Macedonia, Pakistan, Russian Federation, Serbia, Tanzania, Tunisia, Türkiye, Uganda, and Ukraine.

¹¹ Implemented by 22 Members and 5 Observers: Afghanistan, Algeria, Argentina, Azerbaijan, Bangladesh, Belarus, Plurinational State of Bolivia, Burkina Faso, China, Georgia, Ghana, Hungary, India, Indonesia, Kazakhstan, State of Kuwait, Lebanon, Malaysia, Morocco, Pakistan, Russian Federation, Serbia, Tanzania, Tunisia, Türkiye, Uganda, and Ukraine.

¹² Based on 2021 data except for Afghanistan, Algeria, Ghana, and Kazakhstan.

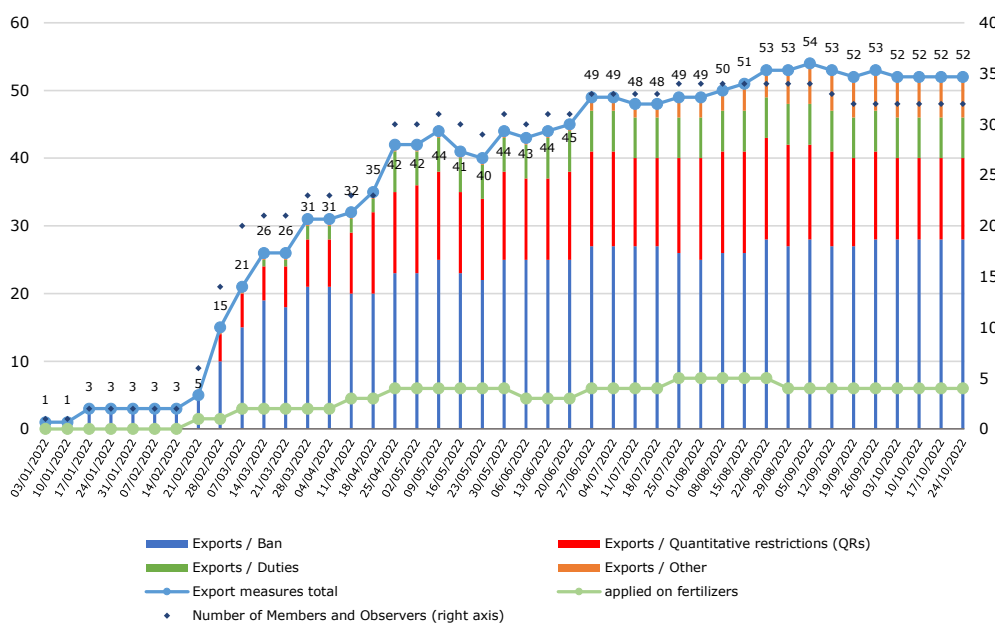
3.36. During the first three months since the outbreak of the war, export restrictions mainly targeted a relatively limited range of agricultural products, including grains (both for human consumption and animal feed), sugar, vegetable oils and fertilizers. Subsequently, the scope of export restrictions expanded to also include, for example, rice, poultry, and poultry products (eggs), meat, and milk.

3.37. Most of these export restrictions had a direct reference in their implementing regulations to the war during the first months of the conflict, while later, they rather referred to domestic supply security and to price stability. This may seem to indicate that the most recent export restrictions were introduced to respond to the growing food crisis, which has been exacerbated by the war in Ukraine. These restrictive measures may have been introduced to protect domestic markets in the context of the multiple interconnected crises derived from decreasing agricultural yields due to the adverse effect of climate change, the COVID-19 pandemic, rising energy costs and inflation.

3.38. Despite a surge of export restrictions associated with the war in Ukraine, some Members had already implemented measures restricting the export of essential agricultural products in the late 2021 and early 2022, before 24 February 2022. For example, temporary bans of exports on various agricultural products were introduced due to abnormal drought or higher prices for agricultural products in the domestic market in several countries in Asia, Africa and Latin America.

3.39. The nature of the export restrictions also became more diverse over time. Initially most restrictions came in the form of export bans, while later they included export licensing requirements, quotas or export duties. Often, such less restrictive measures replaced the earlier imposed bans on the same products (Chart 3.9).

Chart 3.9 Number of export restrictions on food, feed and fertilizers, in force by mid-October 2022



Source: WTO Secretariat.

Import-facilitating measures on food, feed, and fertilizers

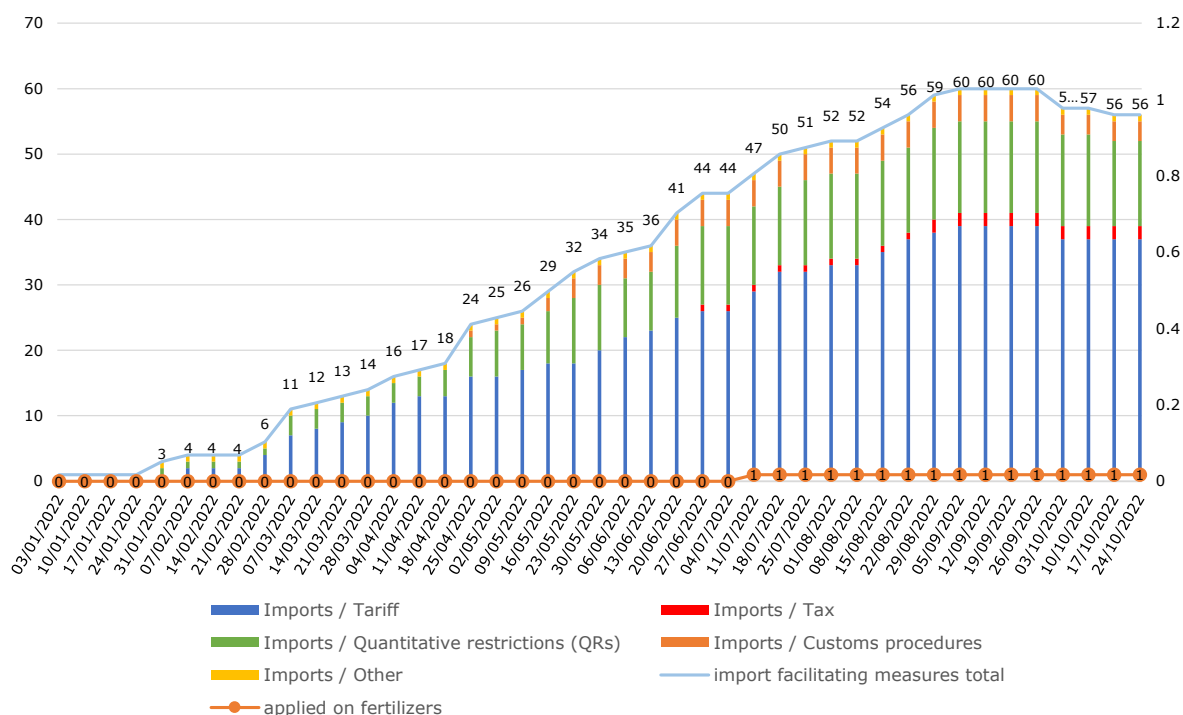
3.40. Since the beginning of the war in Ukraine, import-facilitating measures on food, feed, and fertilizers have been also introduced. As of mid-October 2022, 59 import-facilitating measures on various agricultural products were recorded for 56 Members and 2 Observers.¹³ Three of these measures have been phased out, bringing the number of import-facilitating measures in force to 56.

¹³ Azerbaijan, Armenia, Bangladesh, Brazil, Botswana, Colombia, Costa Rica, Dominican Republic, Egypt, El Salvador, Eswatini, European Union (EU (27) and its member States are counted separately), Guatemala,

3.41. The trade coverage¹⁴ of the import-facilitating measures introduced during the review period was estimated at USD 75.4 billion, out of which USD 11.9 billion referred to fertilizers. Some import-facilitating measures have been repealed and their trade coverage was estimated at USD 1.7 billion (no measure on fertilizers has been repealed during the period of review). Therefore, the trade coverage of import-facilitating measures on food feed and fertilizers that are still in place was estimated at USD 73.7 billion.

3.42. Import-facilitating measures mainly targeted essential agricultural products, including vegetable oils, cereals, rice, meats, poultry as well as fertilizers. These measures came in the form of reduction of import tariffs, increases of import quotas and introduction of tariff free quotas. Other measures include exemptions from value added taxes and lifting of import permit requirements (Chart 3.10).

Chart 3.10 Number of import-facilitating measures on food, feed and fertilizers, in force by mid-October 2022



Source: WTO Secretariat.

3.2 Trade remedy trends¹⁵

3.43. This Section provides an assessment of trends in trade remedy actions over three periods: July 2019 to June 2020, July 2020 to June 2021, and July 2021 to June 2022.¹⁶

Anti-dumping measures¹⁷

3.44. The number of initiations of anti-dumping investigations has decreased over the three periods, from 304 (July 2019 to June 2020) to 282 (July 2020 to June 2021), and then to 119 in the last

India, Iraq, Kazakhstan, Kyrgyzstan, Kenya, Republic of Korea, Lesotho, Malaysia, Mexico, Namibia, Pakistan, Philippines, Russian Federation, South Africa, Chinese Taipei, Türkiye, Ukraine and Viet Nam.

¹⁴ Based on 2021 data except for Bangladesh, Kazakhstan, Lesotho, Namibia, and Viet Nam.

¹⁵ This Section is without prejudice to Members' right to take trade remedy actions under the WTO.

¹⁶ These periods coincide with the Member's semi-annual reporting periods.

¹⁷ Anti-dumping and countervailing investigations are counted based on the number (n) 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.

period. Table 3.9 provides information on which Members initiated anti-dumping investigations and applied measures over the three periods.

3.45. While anti-dumping investigations do not necessarily lead to the imposition of measures, an increase in the number of investigations initiated is an early indicator of a likely increase in the number of measures applied. Over the three periods, a total of 517 anti-dumping measures were applied. As it can take up to 18 months for an anti-dumping investigation to be concluded, the measures applied in a given period may not necessarily be the result of investigations initiated in the same period.

Table 3.9 Number of initiations of anti-dumping investigations and measures applied, by Member

Member	July 2019 – June 2020		July 2020 – June 2021		July 2021 – June 2022	
	Initiations	Measures	Initiations	Measures	Initiations	Measures
Argentina	11	12	8	13	14	7
Australia	15	2	9	2	3	6
Bahrain, Kingdom of; Kuwait, State of; Oman; Qatar; Saudi Arabia, Kingdom of; United Arab Emirates ^a	1	2	3	1	9	0
Brazil	4	6	13	3	4	3
Canada	12	3	23	11	3	14
Chile	1	0	1	0	0	0
China	4	10	4	30	1	2
Colombia	1	0	3	1	0	2
Dominican Republic	0	1	0	0	0	0
Egypt	8	2	6	9	0	3
European Union ^b	8	6	15	6	7	14
Ghana	1	0	0	1	0	0
India	98	9	60	32	13	26
Indonesia	8	1	0	0	0	2
Israel	0	0	0	0	0	0
Japan	2	0	2	2	0	0
Republic of Korea	1	0	7	1	8	4
Madagascar	0	0	0	0	0	0
Malaysia	4	7	9	5	0	1
Mexico	7	3	3	6	5	5
Morocco	0	0	3	1	1	0
New Zealand	2	0	4	1	0	1
Pakistan	7	2	9	7	1	12
Peru	1	0	2	0	1	2
Philippines	0	0	1	0	0	0
Russian Federation ^c	4	4	4	5	0	3
South Africa ^d	0	3	10	0	8	4
Chinese Taipei	0	2	5	0	3	5
Thailand	10	1	7	2	1	13
Türkiye	4	0	9	2	1	3
Ukraine	7	10	10	2	6	7

Member	July 2019 – June 2020		July 2020 – June 2021		July 2021 – June 2022	
	Initiations	Measures	Initiations	Measures	Initiations	Measures
United Kingdom ^e	0 ^f	0 ^f	1	0	1	0
United States	71	29	42	59	27	42
Uruguay	0	0	1	0	0	1
Viet Nam	12	3	8	7	2	8
Total	304	118	282	209	119	190

- a Notified by all Gulf Cooperation Council (GCC) member States collectively, as investigations are initiated by the GCC regional investigating authority on behalf of all GCC member States.
- b The European Union is counted as one (28 member States until 31 January 2020, 27 member States thereafter).
- c Notified by the Russian Federation, but investigations are initiated by the Eurasian Economic Union on behalf of all of its members, i.e., Armenia, Kyrgyz Republic, Kazakhstan, and Belarus (non-WTO Member) collectively.
- d Notified by South Africa, but investigations are initiated at the level of the Southern African Customs Union (SACU) on behalf of its member States (also for Botswana, Eswatini, Lesotho and Namibia).
- e The United Kingdom withdrew from the European Union as of 1 February 2020. The European Union and the United Kingdom communicated that during the transition period, which ended on 31 December 2020, European Union law, with a few limited exceptions, continues to be applicable to and in the United Kingdom. See WTO documents WT/LET/1462, 29 January 2020; and WT/GC/206, 1 February 2020.
- f Member State of the European Union until 1 February 2020.

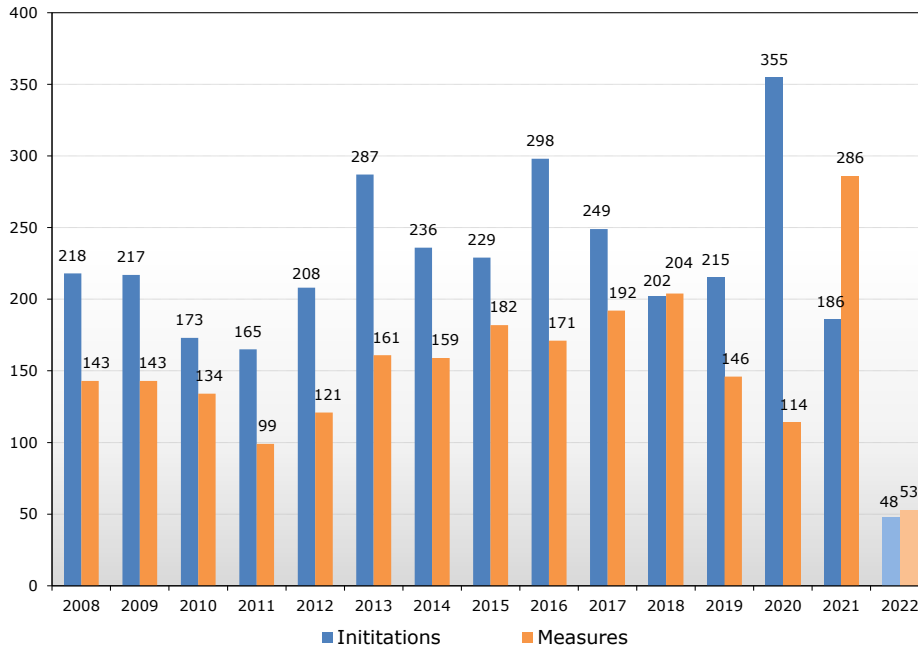
Source: WTO Secretariat.

3.46. Chart 3.11 shows that the number of initiations of anti-dumping investigations increased significantly in 2020 compared with the previous years. The 355 initiations in 2020 represent the peak since 2002 but are lower than the all-time high of 372 in 2001. The number of initiations decreased significantly to 186 in 2021.

3.47. There was little change in terms of the products affected by anti-dumping investigations initiated during the three periods examined, with the majority of initiations focused on products in the metals, chemicals, plastics and rubber sectors.

3.48. In terms of countries or customs territories affected by new anti-dumping investigations, 50 exporting Members were affected during the first period, while 56 were affected during the second period and 38 in the last period. China remained, by far, the Member most frequently subject to anti-dumping initiations during the three reporting periods, accounting for 25% of all investigations. China was followed by the Republic of Korea, which accounted for 7% of the total initiations, and by Viet Nam, Malaysia and Indonesia, with 5%, each.

3.49. As of 14 October 2022, four Members had notified anti-dumping actions referring to the COVID-19 pandemic. In this regard, Argentina suspended anti-dumping measures on syringes and parenteral solutions; Brazil suspended anti-dumping measures on syringes and vacuum plastic tubes for blood collection; Mexico suspended anti-dumping measures on textured polyester filament; and New Zealand suspended anti-dumping measures on aluminium-zinc coated steel.

Chart 3.11 Number of initiations of anti-dumping investigations and measures applied, 2008-22

Note: Data for 2022 cover January to June.

Source: WTO Secretariat.

Countervailing measures

3.50. While the number of global initiations of countervailing duty investigations decreased in the last period, the number of countervailing measures remained stable. Table 3.10 provides information on which Members initiated countervailing investigations and applied final measures during the review period.

3.51. As with anti-dumping, countervailing duty investigations do not necessarily lead to measures being applied. However, an increase or decrease in the number of investigations initiated may be an early indicator of a likely increase or decrease in the number of measures applied. As it can take up to 18 months for an investigation to be concluded, these measures may not necessarily be the result of initiations in the same period.

Table 3.10 Number of initiations of countervailing investigations and measures applied, by Member

Member	July 2019 – June 2020		July 2020 – June 2021		July 2021 – June 2022	
	Initiations	Measures	Initiations	Measures	Initiations	Measures
Australia	6	0	2	0	0	2
Brazil	0	0	2	0	0	0
Canada	4	0	4	2	2	4
China	1	1	4	2	0	0
Colombia	0	1	0	0	0	0
European Union ^a	3	4	4	0	2	4
India	11	8	5	1	3	4
Chinese Taipei	0	5	0	0	0	0
United Kingdom ^b	0 ^c	0 ^c	0	0	2	0
United States	23	15	19	25	14	15
Viet Nam	0	0	1	1	0	0

Member	July 2019 – June 2020		July 2020 – June 2021		July 2021 – June 2022	
	Initiations	Measures	Initiations	Measures	Initiations	Measures
Total	48	34	41	31	23	29

- a The European Union is counted as one (28 member States until 31 January 2020).
- b The United Kingdom withdrew from the European Union as of 1 February 2020. The European Union and the United Kingdom communicated that during the transition period, which ended on 31 December 2020, European Union law, with a few limited exceptions, continues to be applicable to and in the United Kingdom. See WTO documents WT/LET/1462, 29 January 2020; and WT/GC/206, 1 February 2020.
- c Member State of the European Union until 1 February 2020.

Source: WTO Secretariat.

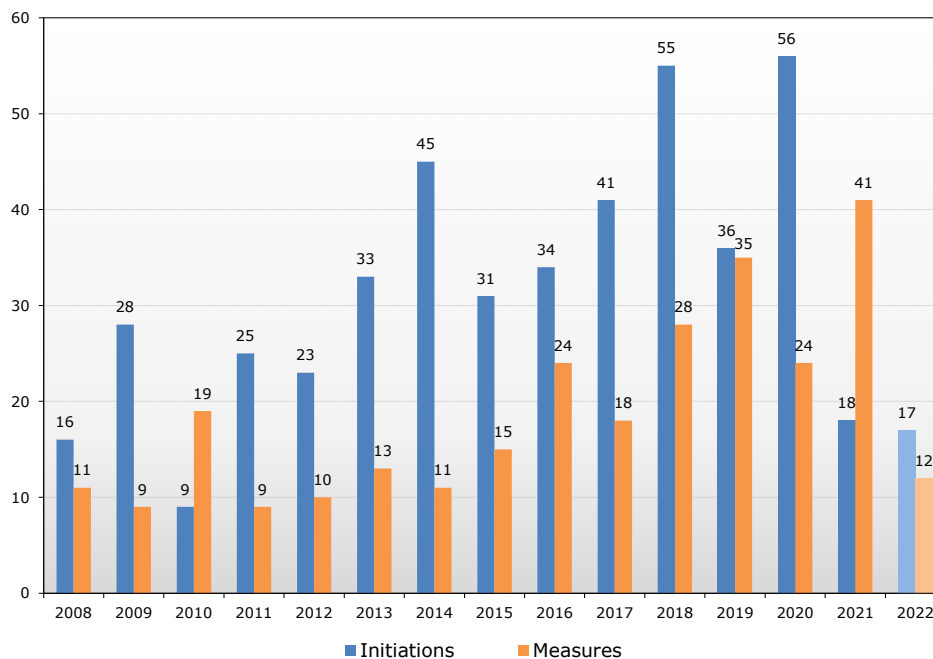
3.52. Chart 3.12 provides reflecting annual figures for 2008-2021, plus first-half 2022, shows an upward trend in countervailing initiations from 2015 to 2020, notwithstanding some fluctuation in 2019. Following its peak in 2020, the number of countervailing initiations decreased to the lowest that has been observed since 2011.

3.53. During the review period, 27 exporting countries or customs territories were affected by new countervailing investigations. China was the most frequent subject of investigations (33), accounting for 29% of all investigations during the three periods. India (11), the second most frequent subject, accounted for 10% of initiations, followed by Malaysia (9) and Viet Nam (9), both of which accounted for 8% of the total.

3.54. Concerning the products affected by countervailing investigations, metals (51%) accounted for the largest share of the initiations reported over the three reporting periods followed by chemicals (15%), and machinery products (7%).

3.55. As of 14 October 2022, no Member had notified any countervailing duty action referring to the COVID-19 pandemic.

Chart 3.12 Number of initiations of countervailing investigations and measures applied, 2008-22



Note: Data for 2022 cover January to June.

Source: WTO Secretariat.

Safeguard measures

3.56. Safeguard measures are temporary measures applied in response to increased imports of goods that are causing serious injury, and are applied on products from all sources, i.e., all exporting countries/customs territories.¹⁸ Safeguard measures 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. Table 3.11 shows the Members that initiated investigations and applied measures in the review period.

Table 3.11 Number of initiations of safeguard investigations and measures applied, by Member

Member	July 2019 - June 2020		July 2020 - June 2021		July 2021 - June 2022	
	Initiations	Measures	Initiations	Measures	Initiations	Measures
Bahrain, Kingdom of; Kuwait, State of; Oman; Qatar; Saudi Arabia, Kingdom of; United Arab Emirates ^a	1	0	0	1	0	0
Canada	0	0	0	0	0	0
Colombia	0	0	0	0	0	0
Costa Rica	0	0	0	1	0	0
Ecuador	1	0	0	0	0	0
Egypt	1	1	0	1	0	0
European Union ^b	0	0	0	0	0	0
Guatemala	1	0	0	0	0	0
India	3	0	0	0	0	1
Indonesia	5	5	3	5	0	3
Jordan	1	0	0	0	0	0
Madagascar	4	1	0	3	1	0
Malaysia	0	0	1	0	0	0
Morocco	1	2	1	1	0	0
Panama	0	0	0	0	0	0
Peru	0	0	1	0	1	0
Philippines	5	1	1	0	0	0
Russian Federation ^c	0	1	0	0	0	0
South Africa ^d	2	1	0	0	0	1
Thailand	0	0	1	0	0	0
Tunisia	0	0	0	0	1	0
Türkiye	2	1	0	1	1	1
Ukraine	6	0	3	2	3	1
United Kingdom ^e	0 ^f	0 ^f	0	1	0	0
United States	0	0	1	0	0	0
Total	33	13	12	16	7	7

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

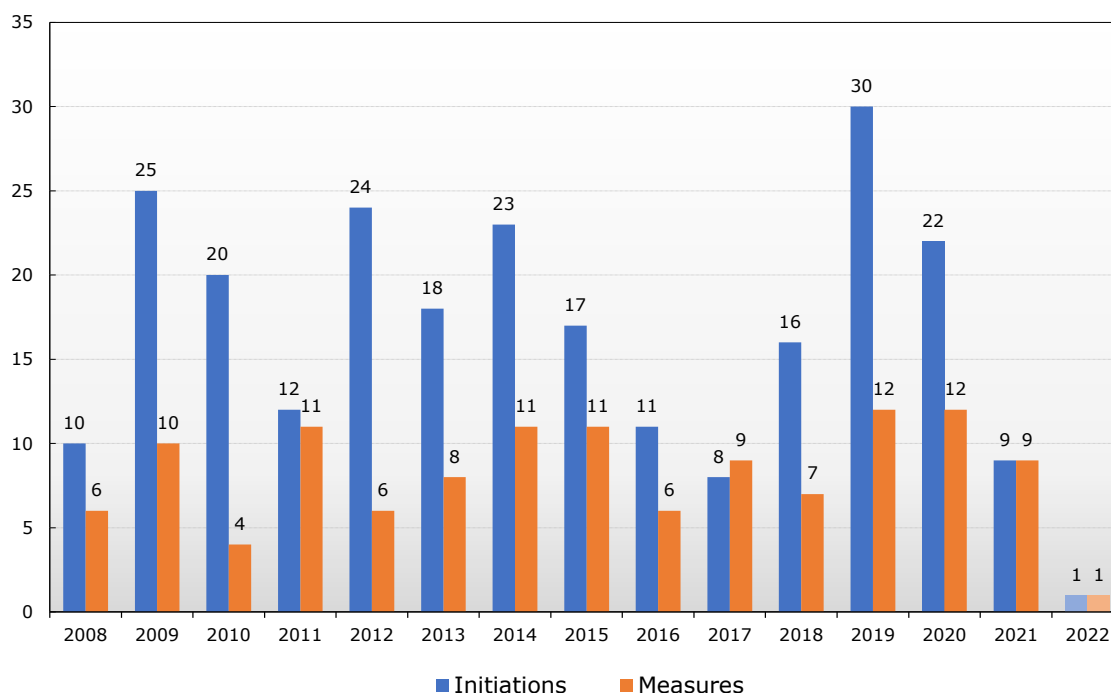
¹⁸ With the exception of exporting Members covered by the special and differential treatment provided for developing countries in Article 9.1 of the Agreement on Safeguards.

- b The European Union is counted as one (28 member States until 31 January 2020, 27 member States thereafter).
- c Notified by the Russian Federation, but investigations are initiated by the Eurasian Economic Union on behalf of all of its members, i.e. Armenia, Kyrgyz Republic, Kazakhstan (which became a WTO Member on 30 November 2015), and Belarus (non-WTO Member) collectively.
- d Notified by South Africa, but investigations are initiated at the level of the Southern African Customs Union, i.e. also in respect of Botswana, Eswatini, Lesotho, and Namibia.
- e The United Kingdom withdrew from the European Union as of 1 February 2020. The European Union and the United Kingdom communicated that during the transition period, which ended on 31 December 2020, European Union law, with a few limited exceptions, continues to be applicable to and in the United Kingdom. See WTO documents WT/LET/1462, 29 January 2020; and WT/GC/206, 1 February 2020.
- f Member State of the European Union until 1 February 2020.

Source: WTO Secretariat.

3.57. Chart 3.13 shows the number of initiations of safeguard investigations and the number of application of measures on a calendar year basis for 2008-2021, plus for the first-half 2022. In the latest period, January-June 2022, one investigation was initiated and one measure was applied.¹⁹ As of 14 October 2022 two initiations and two application of measures have been recorded for 2022. These are among the lowest numbers since 1995. They represent a significant decline, especially in terms of initiations, since the most recent peak of 30 initiations in 2019, which was the second highest since 1995.²⁰ From that high level, a sharp decline was observed over the last three years to the current lowest level.

Chart 3.13 Number of initiations of safeguard investigations and measures applied, 2008-22



Note: Data for 2022 cover January to June. Some notifications are ambiguous about the timing when measures took effect. For those, an additional notification clarifying, ex post, the effective date of the measure is sometimes filed. For this reason, the number of applications of measures in a given period indicated in past reports may differ from the figures indicated in the most recent Report.

Source: WTO Secretariat.

¹⁹ Since an investigation initiated in a specific year can result in application of a measure in the subsequent year, the number of initiations can be smaller than the number of applications in some years.

²⁰ The highest number was recorded in 2002, with 34 initiations.

3.58. In terms of products affected by safeguard initiations, while the subject products varied, metals accounted for largest share of initiations during the review period.

3.59. No Member has notified any safeguard action referring to the COVID-19 pandemic.

3.3 Sanitary and phytosanitary (SPS) measures²¹

3.60. This Section covers SPS transparency-related matters, including specific trade concerns (STCs) discussed in SPS Committee meetings between 1 October 2021 to 30 September 2022. A separate Section covering the period from 1 February 2020 to 30 September 2022 refers to SPS measures taken in response to the COVID-19 pandemic. The last Section refers to developments in the work of the SPS Committee in relation to the war in Ukraine.

3.61. Under the SPS Agreement, WTO Members are obliged to provide an advance notice of intention to introduce new or modified SPS measures²², or to notify immediately when emergency measures are imposed. The main objective of complying with SPS notification obligations is to inform other Members about new or changed regulations that may significantly affect international trade. Therefore, an increase in the number of notifications does not automatically imply greater protectionism but can be due to enhanced transparency and/or a greater number of legitimate health-protection measures.

3.62. Between 1 October 2021 and 30 September 2022 (the review period), 1,932 SPS notifications (regular and emergency, including revisions and addenda) were submitted²³ to the WTO, a 6% decrease compared with the previous 12-month period. The share of notifications from developing-country Members, accounting for 63% (1,224 notifications) of the total number, was slightly lower than that observed in the previous 12-month period (Chart 3.15).

3.63. During the review period, WTO Members submitted 1,488 regular SPS notifications (including revisions and addenda), 65% (961 notifications) of which were submitted by developing-country Members. Compared with the previous 12-month period, the total number of regular notifications decreased by 11%, while those submitted by developing-country Members decreased by 12%.

3.64. The total number of emergency notifications (including addenda) increased by 14% in the current review period (444 compared with 389 during the previous 12-month period). The proportion of all emergency notifications (including addenda) submitted by developing Members remained higher than that of developed Members, constituting 59% of all emergency notifications. However, during the review period a decrease of 22% in the number of emergency notifications by developing Members was observed (263 compared to 339 in the previous 12-month period). The high percentage of emergency notifications by developing Members may be because they have less extensive SPS regulatory systems compared with those of developed-country Members. Consequently, when facing emergency challenges, developing-country Members are more likely than developed-country Members to introduce new regulations or change existing ones.

3.65. Many Members follow the recommendation to notify SPS measures even when they are based on a relevant international standard²⁴, as this substantially increases transparency. In this context, of the 998 regular notifications (excluding addenda) submitted during the review period, 52% indicated that at least one international standard, guideline or recommendation was applicable to the notified measure (Chart 3.16). Of these, about 77% indicated that the proposed measure was in conformity with the applicable international standard.

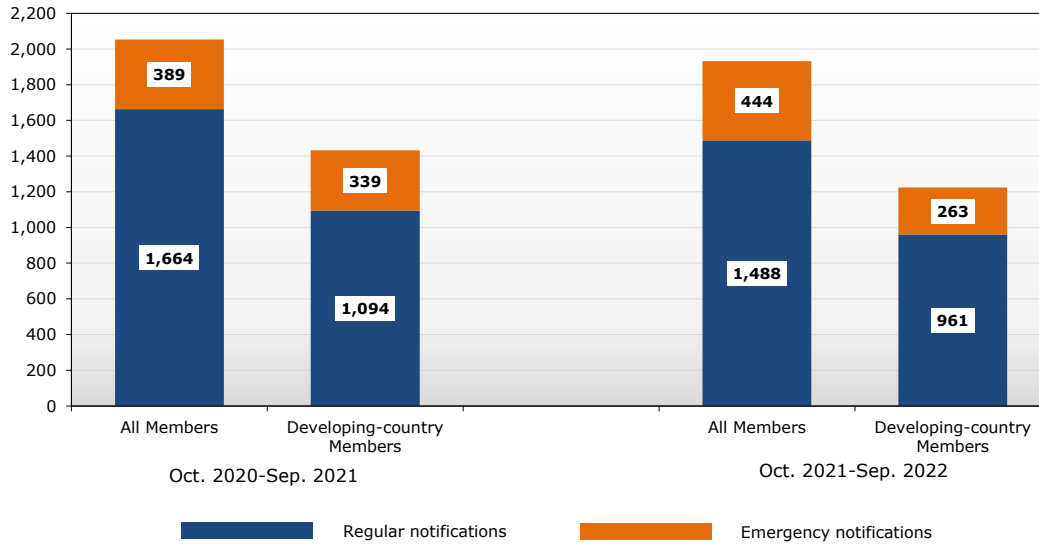
²¹ Information presented in this Section was retrieved from the [ePing SPS&TBT Platform, Viewed at: https://eping.wto.org/](https://eping.wto.org/). This Section is based on notifications to the WTO for the period 1 October 2021 to 30 September 2022. Specific trade concerns (STCs) are raised at SPS Committee meetings, and this Section summarizes the STCs raised at the 3-5 November 2021, 23-25 March 2022, and 22-24 June SPS Committee meetings. More detailed searches on STCs have been retrieved from the [Trade Concerns Database, viewed at: https://tradeconcerns.wto.org/en](https://tradeconcerns.wto.org/en).

²² Transparency obligations are contained in Article 7 and Annex B of the SPS Agreement.

²³ For this Report, "submission" refers to the date of circulation.

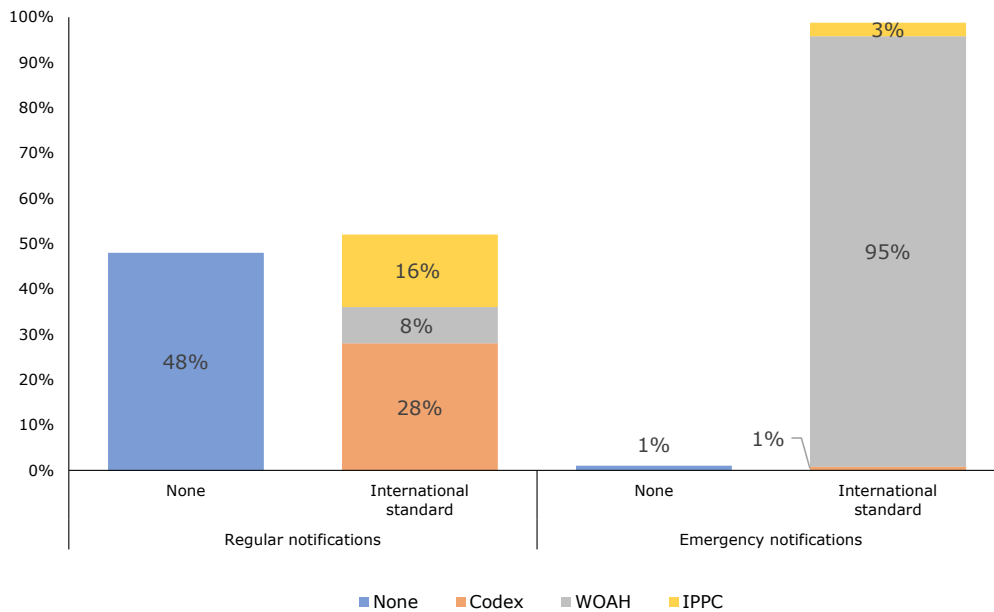
²⁴ WTO document G/SPS/7/Rev.4, 4 June 2018, para. 2.3. WTO Document [G/SPS/7/Rev.4](#) will be updated to reflect relevant changes in the set of tools available for Members to search for SPS related information, namely the new [ePing SPS&TBT Platform](https://eping.wto.org/).

Chart 3.14 Number of SPS notifications, including regular, emergency, revisions and addenda



Source: WTO Secretariat.

Chart 3.15 Regular and emergency SPS notifications (excluding addenda) and international standards



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

Source: WTO Secretariat.

3.66. International standards often provide useful guidance regarding measures to address disease outbreaks and other emergency situations. About 99% (376 out of 381) of emergency notifications (excluding addenda) submitted during the review period indicated that an international standard, guideline, or recommendation was applicable to the notified measure (Chart 3.16). All, but six indicated that the measure was in conformity with the applicable international standard.

3.67. Of the 998 regular notifications (excluding addenda) submitted during the review period, the majority (70%) were related to food safety.²⁵ The remainder related to plant protection and animal health and, to a lesser extent, the protection of humans from animal diseases or plant pests, and the protection of the Member's territory from other damage from pests. Regular notifications usually contain more than one objective.

3.68. Of the 381 emergency measures (excluding addenda) notified in the same period, the majority (92%) related to animal health, followed by those related to food safety, the protection of humans from animal diseases or plant pests, plant protection, and the protection of the Member's territory from other damage from pests. Emergency notifications may also contain more than one objective.

3.69. The WTO Secretariat prepares annual transparency reports containing detailed information on the implementation of the transparency provisions of the SPS Agreement.²⁶

3.70. While there is no formal provision for "counter notification", concerns regarding the failure to notify an SPS measure, or regarding a notified measure, can be raised as an STC at any of the regular meetings of the SPS Committee each year.

3.71. Although most capital-based delegates were not able to travel to Geneva due to COVID-19 restrictions, the margins of the SPS Committee meetings²⁷ still provided important opportunities for delegations to discuss and resolve concerns bilaterally. For example, during the review period, China withdrew three STCs: 1) concerns regarding EU detection of bitter ginseng alkaloids in honey; 2) Thailand's suspension of imports of live poultry, pigs, and their carcasses and 3) Brazil's frequent adjustments of technical regulations affecting fishery trade, which had been included in the proposed agenda for the March 2022 meeting²⁸, because bilateral progress was made.

3.72. In the SPS Committee meetings of 3-5 November 2021, 23-25 March 2022 and 22-24 June 2022, 23 STCs were raised for the first time (Table 3.12), and 43 previously raised STCs were discussed again, of which 28 previously raised STCs were raised in the three meetings.²⁹ Of these, four addressed persistent problems that have been discussed 15 times or more (Table 3.13). In addition, 12 STCs raised for the first time in the review period were discussed again in March or June 2022.³⁰

Table 3.12 New STCs raised in the SPS Committee meetings November 2021, March, or June 2022 meetings

ID	New STCs
526	European Union delays in authorizing imports of Samgyetang (Korean ginseng chicken soup) - raised by the Republic of Korea
527	Delays in Thailand's approval procedures for animal products - raised by the Russian Federation
528	Peru's undue delays in the authorization of dairy product enterprises - raised by Panama
529	Qatar's new import rules for dairy products - raised by European Union
530	Plurinational State of Bolivia's import restrictions on agricultural and livestock products - raised by Peru
531	China's import restrictions on fishery products - raised by Mexico
532	China's import suspension of fresh fruits - raised by Chinese Taipei
533	European Union restrictions on spice imports and other food products due to European Commission Implementing Regulation (EU) 2021/2246 of 15 December 2021 - raised by India
534	European Union's import tolerances for certain pesticides to achieve environmental outcomes in third countries - raised by Australia

²⁵ 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 pests or diseases; and (v) protection of territory from other damage from pests. Members are required to identify the purpose of the measure in their notifications. It is common for more than one objective to be identified for a measure.

²⁶ WTO document G/SPS/GEN/804/Rev.14, 28 February 2022.

²⁷ The November 2021, March and June 2022 meetings were held in person, and Members were also able to participate remotely via a virtual conferencing platform (WTO documents JOB/SPS/17, 15 October 2021, JOB/SPS/19, 4 March 2022, and JOB/SPS/21, 3 June 2022).

²⁸ WTO document JOB/SPS/19, 4 March 2022. See also the summary of the meeting of 23-25 March contained in document [G/SPS/R/105](#).

²⁹ The 28 STCs that were raised in the three meetings are [193](#), [382](#), [392](#), [406](#), [413](#), [431](#), [439](#), [441](#), [446](#), [448](#), [466](#), [471](#), [484](#), [485](#), [486](#), [487](#), [489](#), [497](#), [498](#), [501](#), [503](#), [504](#), [509](#), [512](#), [516](#), [519](#), [521](#) and [524](#).

³⁰ These were STCs [526](#), [527](#), [529](#), [530](#), [532](#), [533](#), [534](#), [535](#), [537](#), [538](#), [539](#) and [542](#).

ID	New STCs
535	European Union's restrictions on the importation of collagen for human consumption - raised by China
536	European Union's residue limits of ethylene oxide and dichloroethanol - raised by China
537	Indonesia's draft regulation on heavy metals contaminants in processed food - raised by China
538	Chinese Taipei's new procedure for the recognition of infectious animal disease-free status of a foreign country - raised by the European Union
539	Thailand's sanitary requirements on "wet blue" leather imports - raised by Brazil
540	Russian Federation's SPS notification G/SPS/N/RUS/241 regarding 11 new quarantine pests - raised by India.
541	Russian Federation's phytosanitary certificate requirements for groundnut and sesame seeds - raised by India.
542	United States' undue delays in opening its citrus market - raised by Brazil
543	European Union recognition of Mexico as a country with WOHAE negligible BSE risk - raised by Mexico.
544	Peru's non-application of regionalization for African swine fever - raised by the European Union
545	European Union regulation on animal health/official certificates for animal origin foods - raised by China.
546	European Union notifications of matrine and oxymatrine in honey - raised by China.
547	Egypt's Customs Circular Decision No. 4060: Radioactivity checks on imported food - raised by the European Union
548	Morocco's import ban on ornamental plants - raised by the European Union

Source: WTO Secretariat.

Table 3.13 Previously raised SPS STCs discussed in the November 2021, March or June 2022 meetings, raised 15 times or more³¹

STC	Title of the STC	Member(s) responding	Member(s) raising the concern (total number of Members supporting)	First date raised (times subsequently raised)	Primary objective
193	General import restrictions due to Bovine Spongiform Encephalopathy (BSE)	Several Members, including China	European Union, United States (3 Members)	01/06/2004 (44 times)	Animal health
382	European Union legislation on endocrine disruptors	European Union	Argentina, China, Dominican Republic, Ecuador, Guatemala, India, Panama, Paraguay, United States (39 Members)	25/03/2014 (22 times)	Food safety
406	China's import restrictions due to highly pathogenic avian influenza	China	European Union, United States	16/03/2016 (16 times)	Animal health
390	Russian Federation's import restrictions on processed fishery products from Estonia and Latvia	Russian Federation	European Union	15/07/2015 (14 times)	Food safety

Source: WTO Secretariat.

3.73. Of the 23 STCs raised for the first time in the three SPS Committee meetings, 6 (29%) concerned food safety, 4 concerned measures covering animal health, 6 related to plant health and 7 covered other concerns.³² Out of the 43 previously raised STCs, 15 concerned food safety measures, 10 animal health, 4 plant health and 14 covered other types of concerns.

3.74. Discussions among Members in the SPS Committee continue to be multifaceted and dynamic. While pesticide maximum residue limits (MRLs) continue to be a topic of concern for Members, several STCs related to approval procedures, were also raised in the current review period.

3.75. The WTO Secretariat prepares annual reports containing detailed information on STCs discussed in the SPS Committee. Since 1995, 50% of all STCs raised in the Committee have been

³¹ Further information on the STCs previously raised during the review period is available in the [ePing SPS&TBT Platform](https://tradeconcerns.wto.org/en/stcs?searchParameterDomainIds=2). Viewed at: <https://tradeconcerns.wto.org/en/stcs?searchParameterDomainIds=2>.

³² These concerns include control, inspection and approval procedures, and administrative measures.

reported as resolved or partially resolved.³³ In November 2021, Mexico reported on the resolution of STC 515 regarding Panama's authorization of Federal Inspection Types establishments.

COVID-19-related SPS measures (1 February 2020³⁴ - 30 September 2022)

3.76. The SPS Agreement requires Members to base SPS-related trade measures on international standards, guidelines, and recommendations, specifically those developed by the FAO/WHO Codex Alimentarius Commission (Codex) for food safety, the World Organisation for Animal Health (WOAH, founded as OIE) for animal health and zoonoses and the International Plant Protection Convention (IPPC) for plant health. The three standard-setting bodies and the WHO are monitoring the COVID-19 situation and, so far, have not recommended any trade restrictions. In the absence of relevant international standards, SPS measures must be based on a risk assessment. However, it may take some time before sufficient scientific evidence becomes available. Following the outbreak of the pandemic, some Members believed they had to act quickly to ensure appropriate health protection. Under the SPS Agreement, Members have the right to adopt provisional measures based on available information. As more scientific evidence emerges and risk assessments can be carried out, these measures must be reviewed within a reasonable period of time.

3.77. Between 1 February 2020 and 30 September 2022, 31 Members (counting the European Union as one) submitted 127 notifications and communications on 67 SPS measures related to the COVID-19 pandemic. The most recent SPS COVID-19-related document was received on 8 July 2022. Submitted documents are displayed by month and trade effect in Chart 3.16.

3.78. Twenty-seven measures were notified as regular notifications. Additionally, 28 addenda to regular notifications were submitted, mostly extending both implementation periods of temporary measures and comment periods and dates of adoption of previously notified regulations. Twenty measures were notified as emergency measures. Additionally, 10 emergency addenda were notified, seven lifting (or partially lifting) temporary restrictions previously imposed and 3 extending the validity of temporary trade-facilitating measures. Nine Members submitted their measures through an information communication (GEN document), and one additional GEN document³⁵ was submitted by 40 Members. Overall, 26% of all COVID-19 notifications were SPS measures.³⁶ Two COVID-19-related STCs were raised in the period under review.³⁷

³³ Information is available in the latest revision of the annual report on STCs (WTO document G/SPS/GEN/204/Rev.22, 28 February 2022).

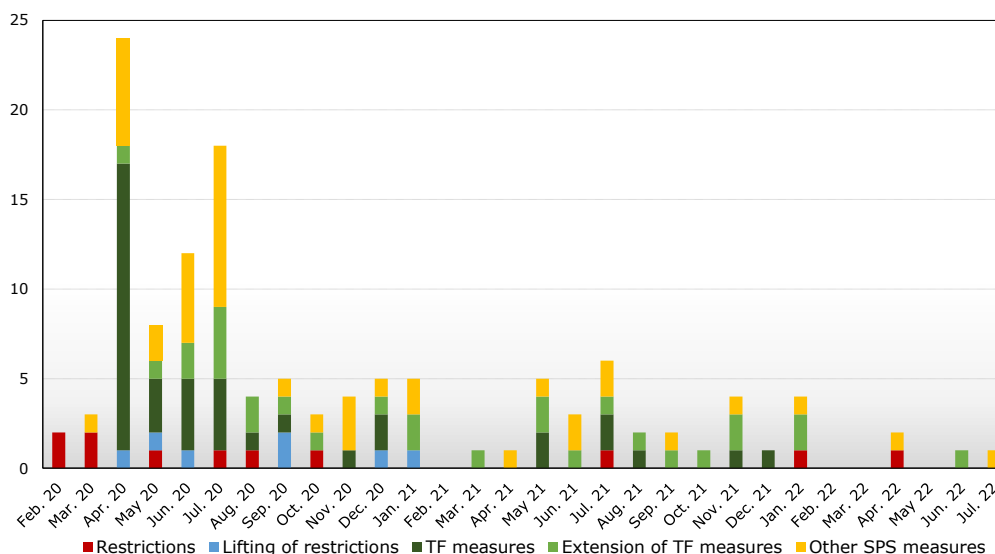
³⁴ The first COVID-19-related notifications were received in February 2020.

³⁵ WTO document [G/SPS/GEN/1778/Rev.5](#), 14 January 2021 (also circulated as WTO document G/TBT/GEN/296/Rev.5, 14 January 2021).

³⁶ WTO, *COVID-19 and World Trade*. Viewed at: https://www.wto.org/english/tratop_e/covid19_e/covid19_e.htm.

³⁷ STCs [487](#) and [506](#).

Chart 3.16 Number of submitted SPS documents related to COVID-19, by date and trade effect, 1 February 2020-8 July 22



Note: TF measures = trade facilitating measures.

Source: WTO Secretariat.

3.79. Initially, these measures mainly related to restrictions on animal imports and/or transit from affected areas (some of these measures were subsequently lifted), and increased certification requirements. While some restrictions were still imposed at a later stage, most notifications and communications submitted since the beginning of April 2020 relate to measures taken to facilitate trade, by allowing temporary flexibility for control authorities to use electronic versions of veterinary and/or phytosanitary certificates, since the COVID-19 situation has made the transmission of original paper certificates problematic. Overall, about two thirds of the 59 notifications (excluding addenda) and communications submitted were measures considered to be trade-facilitating.

Developments in the context of the war in Ukraine

3.80. At the March and June 2022 SPS Committee meeting, Ukraine and several other Members (Australia, Canada, European Union, Japan, Republic of Korea, New Zealand, Norway, Paraguay, Switzerland, Chinese Taipei, United Kingdom and United States) condemned the Russian Federation's military action in Ukraine, noting that it violated constituted a violation of international law and the UN Charter.³⁸ The Russian Federation noted that politically motivated trade-restrictive actions imposed by several WTO Members had led to serious damage to the global economy, including rises in world food and fertilizer prices and disruptions in global food supply, and underlined that the matter was not within the scope of the WTO.

³⁸ WTO document G/SPS/R/107, 26 September 2022.

Box 3.1 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. WTO Members are required to notify SPS and TBT measures, still in draft form, that may have a significant effect on trade and that are not in accordance with existing international standards. Each year, the WTO receives around 5,000 SPS and TBT notifications.

The WTO facilitates the fulfilment of the transparency provisions contained in the SPS and TBT Agreements and provides easy access to information. Timely access to notifications is crucial, given the 60-day period that should normally be provided for submitting comments on the proposed regulations. The new [ePing SPS&TBT Platform](#), officially launched in July 2022, is an integrated online tool that assists stakeholders in finding notifications of relevance to their trade and thus contributing to avoid and address potential trade barriers.

The ePing SPS&TBT Platform helps users (governments, economic operators, and civil society) browse SPS or TBT notifications and trade concerns raised by Members in the WTO SPS and TBT Committees using parameters such as product, notifying Member and objective. Additionally, information on enquiry points and notification authorities can be located in the new Platform. Registered users can also sign up to receive daily or weekly email alerts and to follow notifications on products and/or markets of interest and reach out to national and international counterparts. This 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)

Notifications submitted to the TBT Committee

3.81. 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.

3.82. From 1 October 2021 to 1 October 2022 (the review period), WTO Members submitted 2,405 new regular notifications of TBT measures.³⁹ Around 60% of all new regular notifications came from Uganda (225), Brazil (184), Tanzania (175), Rwanda (166), Kenya (149), United States (144), Burundi (110), Republic of Korea (106), European Union (89) and China (73). The majority of these 2,405 TBT notifications indicated as their main objective the protection of human health or safety. Various other notifications related to quality requirements, consumer information, labelling, prevention of deceptive practices and consumer protection, reducing trade barriers and facilitating trade and harmonization.

3.83. A total of 1,516 follow-up notifications (i.e., addenda, corrigenda, or supplements) were submitted during the review period. The continuing and frequent use by Members of follow-up notifications is a positive development, as it increases transparency and predictability across the measures' regulatory lifecycle.

Measures discussed in the TBT Committee (STCs)⁴⁰

3.84. WTO Members use the TBT Committee as a forum for discussing trade issues related to specific TBT measures (technical regulations, standards, or conformity assessment procedures) maintained by other 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 requests for additional information and clarification to questions on the consistency of measures with TBT Agreement disciplines.

3.85. A total of 249 (58 new and 191 previously raised) STCs were discussed during the three TBT Committee meetings that fell within the review period: 89 (25 new and 64 previously raised) at the November 2021 meeting, 80 (20 new and 60 previously raised) at the March 2022 meeting, and 80 (13 new and 67 previously raised) at the July 2022 meeting.

³⁹ Source: [ePing SPS&TBT platform](#).

⁴⁰ This Section takes account of the STCs raised in the TBT Committee meetings of 10-12 November 2021, 8-11 March 2022, and 12-15 July 2022.

3.86. As depicted in Table 3.14, these 58 new STCs concerned TBT measures by the European Union (11); India (7); United States (7); China (4); Canada (3); France (3); Indonesia (3); Republic of Korea (2); South Africa (2); Sri Lanka (2); Viet Nam (2); one each by Belgium, Brazil, Chile, Egypt, Guatemala, Japan, Malaysia, Mongolia, Pakistan, Kingdom of Saudi Arabia, Spain, and United Kingdom. These new STCs covered regulations on a range of products (e.g. artificial intelligence systems, information and communication devices, solar modules, household goods, electrical appliances, spices, vehicles, alcoholic beverages, mineral oils, cosmetics, plastic, food products, etc.), and dealt with a variety of issues (e.g. cybersecurity reequipments, labelling and packaging, conformity assessment procedures, remote factory audits, technical regulation or specifications, life cycle assessment, halal certification, and energy efficiency).

3.87. The overall trend suggests an increasing use of the TBT Committee as a forum for Members to raise and resolve trade concerns non-litigiously. In 2022, for example, WTO Members have already reviewed 160 STCs, including 33 new concerns, one of the highest numbers on record since 1995. The next TBT Committee meeting will be held in November 2022.

3.88. During the three Committee meetings covered by the review period, 14 persistent STCs (those previously raised STCs more than 16 times in Committee meetings) were discussed (Table 3.15).

Table 3.14 New STCs raised in the TBT Committee meetings of November 2021, March 2022 and July 2022

New STCs
Chile: Efficiency analysis and/or test protocol for electrical products (ID 704) (raised by Republic of Korea)
European Union: Draft Commission Delegated Regulation amending, for the purposes of its adaptation to technical and scientific progress, Regulation (EC) No 1272/2008 of the European Parliament and of the Council on classification, labelling and packaging of substances and mixtures (ID 705) (raised by Chinese Taipei)
China: National Standard of the P.R.C., Lithium-Ion Cells and Batteries Used in Portable Electronic Equipments - Safety Technical Specification (ID 706) (raised by Republic of Korea)
Viet Nam: Draft National Technical Regulation on the fifth level of gaseous pollutants emissions for new assembled, manufactured and imported automobiles (ID 707) (raised by Thailand)
European Union: Draft Commission Regulation laying down ecodesign requirements for light sources and separate control gears pursuant to Directive 2009/125/EC of the European Parliament and of the Council and repealing Commission Regulation (EC) No. 244/2009, (EC) No. 245/2009 and (EU) No. 1194/2012 (ID 708) (raised by Republic of Korea)
United States: Energy Conservation Program: Test Procedures for Residential and Commercial Clothes Washers (ID 709) (raised by China)
India: Important Instruction regarding Voluntary Star Labelling Programme for UHD (4K, 8K) Televisions (ID 710) (raised by Republic of Korea)
Sri Lanka: National Environmental (Plastic Material Identification Standards) Regulations No. 01 of 2021 (ID 711) (raised by United States)
Brazil: MAPA Ordinance No. 208, 26 February 2021 – revision of the Decree No. 6.87 of 4 June 2009 on the standardisation, classification, registration, inspection, production and supervision of alcoholic beverages (ID 712) (raised by European Union)
Belgium: Draft law introducing additional security measures for the provision of mobile 5G services (ID 713) (raised by China)
United States: Protecting Against National Security Threats to the Communications Supply Chain through the Equipment Authorization Program and the Competitive Bidding Program (ID 714) (raised by China)
Pakistan: Safety of amusement rides and amusement devices (ID 715) (raised by United States)
United States: Energy Conservation Program: Test Procedure for Metal Halide Lamp Fixtures (ID 716) (raised by China)
India: Chemical Fibers and Yarns: PSY, IDY, FDY, POY, PSF, and SMF for use in Cement-Based Matrix (Quality Control) Orders, 2020 (ID 717) (raised by Republic of Korea)
Egypt: Halal Certification Measure, based on Egyptian Standard ES 4249/2014 General Requirements for Halal Food According to Islamic Sharia (ID 718) (raised by Canada, European Union, and United States)
India: Plastic Waste Management (Amendment) Rules, 2021 (ID 719) (raised by Republic of Korea)
Sri Lanka: Imports (Standardization and Quality Control) Regulations 2017 (ID 720) (raised by Indonesia)
Guatemala: Technical Standard 84-2021 for the Sanitary Registration of Repellent Products for External Use in Humans and Spatial Repellent Products (ID 721) (raised by Mexico)
Canada: Regulatory requirements for the import and marketing of cannabis and cannabis-based products for medicinal use (ID 722) (raised by Colombia)
France: LOI n° 2020-105: Anti-Waste Law for a Circular Economy (AGEC Law) (ID 723) (raised by Republic of Korea)
Indonesia: Government Regulation 28 of 2021 – Implementing Regulation (for the Manufacturing/Industry Sector) to Law No. 11 of 2020 the "Job Creation Act" (ID 724) (raised by European Union and United States)
Republic of Korea: Proposal for revision of the implementation rules and operation notification of the electrical appliances and consumer goods safety control act (ID 725) (raised by China)
United States: Energy efficiency requirements for general service lamps (GSL) (ID 726) (raised by China)
Spain: Amendment of Royal Decree 1521/1984 by the Secretariat for Fisheries of Spain (ID 727) (raised by Chile)

New STCs
Indonesia: Import quota and SNI certification requirements (ID 728) (raised by China)
Malaysia: Guideline for Approval of Electrical Equipment (Electricity Regulation 1994) Information Booklet 2018 Edition (GP/ST/NO.14/2017) (ID 729) (raised by Republic of Korea)
Mongolia: Draft Law on controlling the circulation of alcohol beverages, and fight against alcoholism (ID 730) (raised by Mexico)
United States: Energy conservation program: test procedure for circulator pumps (ID 731) (raised by China)
Kingdom of Saudi Arabia: Corporate average fuel economy standard (SAUDI CAFE) for all light duty vehicles (ID 732) (raised by China)
South Africa: Regulations relating to the composition, production and labelling of wine and spirits intended for sale in the Republic of South Africa (ID 733) (raised by Mexico)
European Union: Specific test procedures and technical requirements for the type-approval of motor vehicles with regard to their event data recorder and for the type-approval of those systems as separate technical units (ID 734) (raised by China)
Canada: Pest control products regulations (ultraviolet radiation-emitting devices and ozone-generating devices) (ID 735) (raised by China)
European Union: Proposal for a regulation of the European Parliament and the Council laying down harmonized rules on artificial intelligence (Artificial Intelligence Act) and amending certain union legislative acts (ID 736) (raised by China)
United States: Secure equipment act of 2021 (ID 737) (raised by China)
European Union: Regulations affecting spices (Regulation number EU 2021/2246, dated 15 December 2021) (ID 738) (raised by India)
European Union: Implementation of access regulation regarding collagen for human consumption (ID 739) (raised by China)
United Kingdom: EC marking certificate for export of home textile items (ID 740) (raised by India)
European Union: Commission implementing decision (EU) 2017/1357 on a restriction of Standard EN 60335-2-9-2003+A13-2010 (ID 741) (raised by China)
India: Approved models and manufacturers of solar photovoltaic modules order, 2019 (ID 742) (raised by China)
European Union: Regulation (EU) 2022/30 on network protection, safeguards for the protection of personal data and privacy and protection from fraud (ID 743) (raised by China)
Republic of Korea: Regulation for supporting low carbon solar module product (ID 744) (raised by China)
European Union: Regulation (EU) 2019/320 on caller location in emergency communications from mobile devices (ID 745) (raised by China)
Indonesia: Remote factory audit for air conditioners (ID 746) (raised by Thailand)
Japan: Inspection system for sports goods and toys and non-acceptance of test reports from Indian test houses (ID 747) (raised by India)
India: Import Policy of Air Conditioners with Refrigerants (ID 748) (raised by Thailand)
China: Key Points and Judgment Principles of GMP Inspection for Cosmetics; Safety and Technical Standards for Cosmetics (2022); Technical Guidelines for Children's Cosmetics (ID 749) (raised by United States)
European Union: Proposal for a Directive of the European Parliament and of the Council amending Directive 2014/53/EU on the harmonization of the laws of the Member States relating to the making available on the market of radio equipment (COM/2021/547 final) (ID 750) (raised by United States)
China: Measures for the Administration of Data Security in the Field of Industrial and Information Technology Sectors (For Trial Implementation) (ID 751) (raised by Japan)
European Union: Draft Commission delegated regulation amending regulation (EU) 2019/2144 of the European Parliament and of the Council to take into account technical progress and regulatory developments concerning amendments to vehicle regulations adopted in the context of the United Nations Economic Commission for Europe (ID 752) (raised by China)
Canada: Proposed Prohibition of Certain Toxic Substances Regulations, 2022 (ID 753) (raised by Japan)
South Africa: Regulations Relating to the Labelling of Alcoholic Beverages – revision (ID 754) (raised by European Union, Mexico and United States)
United States: Energy conservation program: energy conservation standards for room air conditioners (ID 755) (raised by China)
France: Order specifying the substances contained in mineral oils the use of which is prohibited in packaging and in printed matter distributed to the public (ID 756) (raised by Republic of Korea)
India: Alert Regarding Implementation of QR Code for Refrigerators (ID 757) (raised by Republic of Korea)
France: Decree on the minimum proportion of re-used packaging to be placed on the market annually (ID 758) (raised by United States)
Viet Nam: Draft national technical regulation on 5G user equipment - radio access; draft national technical regulation on non-standalone 5G user equipment - radio access (ID 759) (raised by China)
India: Amendment to notification on mandatory testing and certification of telecommunication systems (MTCTE) – Phase III & IV (ID 760) (raised by China)
China: Recommended National Standard (GB/T) for Office Devices (Information security technology – Security specification for office devices) (ID 761) (raised by Japan)

Source: WTO Secretariat.

Table 3.15 Persistent STCs raised between 1 October 2021 and 1 October 2022

Persistent STCs
India: Pneumatic tyres and tubes for automotive vehicles (ID 133) raised in 40 TBT Committee meetings since 2006
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 in 35 TBT Committee meetings since 2011
Russian Federation: Draft Technical Regulation on Alcohol Drinks Safety (published on 24 October 2011) (ID 332) raised in 30 TBT Committee meetings 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 in 30 TBT Committee meetings since 2012
European Union: Hazard-based approach to plant protection products and setting of import tolerances (ID 393) raised in 28 TBT Committee meetings since 2013
India: Electronics and Information Technology Goods (Requirements for Compulsory Registration) Order, 2012 (ID 367) raised in 27 TBT Committee meetings since 2013
China: Regulations for the Supervision and Administration of Medical Devices (Order No. 650 of the State Council) (ID 428) raised in 25 TBT Committee meetings since 2014
China: Registration Fees for Drugs and Medical Device Products (ID 466) raised in 21 TBT Committee meetings since 2015
Indonesia: Halal Product Assurance Law No. 33 of 2014 and its implementing regulations (ID 502) raised in 20 TBT Committee meetings since 2016
Egypt: Manufacturer Registration System (Decree No. 43/2016 and Decree No. 992/2015) (ID 505) raised in 18 TBT Committee meetings since 2016
Russian Federation: Rules of cement certification (ID 497) raised in 18 TBT Committee meetings since 2016
India: Draft Food Safety and Standards (Alcoholic Beverages Standards) Regulations, 2015 (ID 494) raised in 18 TBT Committee meetings since 2016
India: Mandatory Certification for Steel Products (ID 224) raised in 18 TBT Committee meetings since 2009
China: Cybersecurity Law (ID 526) raised in 17 TBT Committee meetings since 2017

Source: WTO Secretariat.

COVID-19-related TBT notifications and discussions at the TBT Committee

3.89. Since the beginning of the pandemic, 46% of all notifications submitted by WTO Members in response to COVID-19 were under the TBT Agreement.⁴¹ Thirty-four WTO Members submitted 225 COVID-19-related TBT notifications to the WTO. These notifications mostly dealt with extraordinary and temporary streamlining of certification and related procedures, and the introduction of new regulatory requirements for medical goods. In addition, WTO Members made references to the COVID-19 pandemic in 55 STCs in the TBT Committee. The vast majority of these STCs were not linked to COVID-19-related notifications or medical goods. Instead, reference to COVID-19 in these discussions was linked to the significant impact of the pandemic on Members' economies.

3.90. Overall, 66% of these notifications were submitted under the emergency/urgent notification provisions of the TBT Agreement.⁴² Under these provisions, WTO Members can adopt measures immediately without first notifying the measure in draft form or providing the usual 60-days comment period (or allowing the usual 6-month transition period prior to entry into force). The majority (about 70%) of these notifications cover regulations on medical goods, such as personal protective equipment (PPE), pharmaceutical products, medical devices, other medical supplies, and other products.⁴³

3.91. In the context of the Ninth Triennial Review of the TBT Agreement, Members agreed to examine and compile best practices for future pandemic preparedness, including streamlining

⁴¹ TBT notifications are classified as COVID-19-related if they contain the terms "coronavirus", "COVID", "SARS-COV-2" or "nCoV". These COVID-19-related notifications include not only regular notifications but also follow-up notifications.

⁴² TBT Agreement, Articles 2.10.1 and 5.7.1.

⁴³ The "pharmaceutical products" category includes, for example, vaccines, antibiotics and vitamins. The "medical devices" category includes, for example, lung ventilator equipment, ultraviolet radiation-emitting devices and vital signs monitors. The "PPE" category includes, for example, face masks and surgical gloves. The "other medical supplies" category includes, for example, gauzes, hand sanitizers and flocked swabs. The "other" category includes, for example, food, footwear and offices machines.

conformity assessment procedures during pandemics, and enhancing international regulatory cooperation so as to facilitate trade in select essential medical goods like vaccines.⁴⁴ The Ministerial Declaration on the WTO Response to the COVID-19 Pandemic and Preparedness for Future Pandemics also encouraged regulatory cooperation and instructed the TBT Committee to continue analysing lessons learned and challenges encountered during the pandemic.⁴⁵

3.92. In addition, the WTO Secretariat issued an information note⁴⁶ "Overview of discussions in the Committee on Technical Barriers to Trade relating to COVID-19" that explores how WTO Members used regulatory trade measures in responding to the COVID-19 pandemic.

3.93. A WTO Member recently notified to the TBT Committee a few extraordinary and temporary regulatory measures taken in the context of the Monkeypox outbreak.⁴⁷

3.94. There has been a recent trend of the TBT Committee receiving notifications of and discussing STCs about regulations on cybersecurity. Box 3.2 takes a closer look at cybersecurity regulatory measures discussed in the TBT Committee.

Box 3.2 TBT and cybersecurity

Trade and technology are closely interlinked, and technology has constantly played an important role in shaping the way we trade. The transformative impact of technology on international trade is even more evident today, when the current global expansion of the Internet, fuelled by a combination of vast amount of data with unparalleled levels of computational power, are enabling transformative innovations such as Artificial Intelligence (AI), Internet-of-Things (IoT), blockchain, cloud computing, and quantum computing.

These developments, however, not only unlock opportunities and benefits for those participating in international trade, but also give rise to a number of concerns, including the risks of cyberattacks. To improve the cybersecurity of equipment, infrastructure, and software-enabled and network-connected goods, many governments are adopting various cybersecurity-related regulations, including those in the form of TBT measures, i.e., technical regulations, standards, and conformity assessment procedures. These cybersecurity-related TBT measures have recently become one of the most prominent digital-related issues discussed in the TBT Committee.

To date, more than 70 cybersecurity-related TBT measures have been notified to the TBT Committee, 70% of which during the last three years. These dealt, *inter alia*, with the cybersecurity of IoT, 5G technology, telecommunication and radio equipment, and software-enabled and network-connected goods. The largest share of these measures indicate that they have been proposed or adopted for the protection of national security requirements (Article 2.2 of the TBT Agreement). Other notified objectives comprise the prevention of deceptive practices, protection of human health or safety, and quality. Among the most active notifying Members in this area are the European Union (and/or its member States), Brazil, the United States, the United Kingdom, Viet Nam, Uganda, Japan, China, Uganda, and Chinese Taipei.

In recent years, WTO Members have increasingly used TBT Committee meetings to raise and discuss STCs regarding various cybersecurity-related TBT measures. The measures subject to these STCs regulate, *inter alia*, ITC products and network equipment, vehicles, civil aviation, banking, and insurance, among others. To date, Members have raised at least 24 such STCs, the majority of which (60%) were raised during the last five years (2017-22). Such STCs concerned measures maintained mostly by China, European Union, United States and Viet Nam. Measures subject to these STCs took the form, *inter alia*, of mandatory market access requirements for Internet-connected radio equipment, restrictions on the use of network elements coming from manufacturers that pose a high risk in the context of 5G, or data localization requirements. Members' raising these STCs were concerned, specifically, with measures' failure to comply with transparency, non-discrimination obligations under the TBT Agreement, lack of clarity, broad scope of application, inconsistency with international standards, and unnecessary trade-restrictiveness. In response, Members subject to these STCs tended to highlight that cybersecurity rules were needed to, *inter alia*, address national security issues and ensure consumer privacy.

At the end of 2021, TBT Committee members agreed to hold in 2022 and 2023 experience-sharing discussions on the relation of the TBT Agreement with various digital topics, including cybersecurity. A TBT Committee "Thematic Session" about "regulatory approaches on cybersecurity" is scheduled to take place in June 2023. The other related digital topics to be covered in separate Thematic Sessions are: (i) the use of digital solutions for conformity assessment; (ii) conformity assessment of goods obtained through e-commerce; and (iii) possible impacts of technical barriers on trade in "intangible digital products" (including AI).

⁴⁴ WTO document G/TBT/46, 17 November 2021, para. 8.4.

⁴⁵ WTO document WT/L/1142, 22 June 2022, paras. 11 and 24.

⁴⁶ The note will be published on the webpage [WTO | WTO reports on COVID-19 and world trade](#)

⁴⁷ WTO documents G/TBT/N/BRA/1440, 25 August 2022; G/TBT/N/BRA/1441, 25 August 2022; and G/TBT/N/BRA/1441/Corr.1, 26 August 2022.

Source: WTO Secretariat.

Developments in the context of the war in Ukraine

3.95. At the TBT Committee meetings of 8-11 March and 12-15 July 2022, Ukraine and several other Members expressed their strong opposition to the war in Ukraine, with several Members noting that it violated international law and the UN Charter. The Russian Federation called on Members to refrain from interventions on issues and events which were outside the scope of the TBT Committee and the WTO itself.⁴⁸

3.96. In April and May 2022, Lithuania submitted various notifications to the TBT Committee on construction products that, according to Lithuania, "were adopted in view of the fact that the Russian Federation was carrying out a military attack on Ukraine" and Belarus' "involvement in the attack."⁴⁹ These Lithuanian notifications concern modifications to previously notified regulatory measures on specifications for construction products that had entered into force between 2018 and January 2022. More specifically, these new measures intend to temporarily allow construction products which are not covered by EU harmonized technical specifications ("non-harmonized construction products"), to nonetheless be placed on the Lithuanian market without being certified by a body established in Lithuania, provided that they comply with certain special certification requirements. At the same time, and in light of the war in Ukraine, Lithuania "suspended validity of certificates of constancy of performance of construction products, certificates of conformity of (internal) production control of construction products" so as "to ensure that [the Russian Federation and Belarus] are not directly or indirectly financed by the Republic of Lithuania and the European Union".⁵⁰

3.97. In June 2022, Switzerland notified to the TBT Committee a temporary facilitating measure to the foodstuff information requirements "due to the situation in Ukraine". The measure was introduced due to the urgent need to replace sunflower oil and lecithin produced from Ukrainian sunflower with other oils and lecithin which made it impossible to label the final products correctly.⁵¹

3.98. In the same context, Ukraine also notified to the TBT Committee a number of regulatory measures, including on conformity assessments, labelling, the relaxation of certain regulatory requirements and the postponement of entry into force of certain regulatory measures.⁵²

3.5 Trade concerns raised in other WTO bodies⁵³

3.99. During the review period, several trade issues and concerns were raised by Members in formal meetings of various WTO bodies. This Section provides a factual overview of such concerns raised between mid-October 2021 and mid-October 2022.⁵⁴ 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 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 but provides a reference to the formal meeting(s) where a particular issue featured. A full account and context of the concerns can be found in the formal meeting records of the respective WTO bodies. The list of concerns and issues mentioned in this Section is not exhaustive.

⁴⁸ WTO documents G/TBT/M/86, 24 May 2022 and G/TBT/M/87, 30 September 2022.

⁴⁹ Belarus is not a WTO Member. Information on Belarus' WTO accession process can be found here: https://www.wto.org/english/thewto_e/acc_e/blr_e/a1_belarus_e.htm.

⁵⁰ WTO documents G/TBT/N/LTU/44, 19 April 2022; G/TBT/N/LTU/45, 19 April 2022; G/TBT/N/LTU/45/Add.1, 19 May 2022; G/TBT/N/LTU/46/Rev.1 (submitted on 12 May 2022 as a revision of the original notification circulated on 19 April as G/TBT/N/LTU/46); and G/TBT/N/LTU/46/Rev.1/Add.1, 19 May 2022.

⁵¹ WTO document G/TBT/N/CHE/269, 3 June 2022.

⁵² WTO documents G/TBT/N/UKR/162/Add.1, 28 March 2022; G/TBT/N/UKR/227, 13 September 2022, G/TBT/N/UKR/218, 9 August 2022; G/TBT/N/UKR/217, 4 August 2022; and G/TBT/N/UKR/199/Add.1, 19 September 2022.

⁵³ 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.

⁵⁴ Members are encouraged to communicate to the Trade Monitoring Section of the WTO trade issues which they have raised in WTO bodies and which they believe are relevant to the Monitoring Exercise.

3.100. At the 15 December 2021 Special meeting of the *General Council* (GC)⁵⁵, trade concerns were raised under "Other Business" by the European Union regarding the shipments of goods to China originating in Lithuania. At the 9-10 May 2022 GC meeting⁵⁶, trade concerns were raised on trade-disruptive practices of certain Members and their implications for the WTO (raised by the Russian Federation).⁵⁷

3.101. During the review period, the *Council for Trade in Goods* (CTG) on 1-2 November 2021, on 21-22 April 2022 and on 7-8 July 2022. Thirty-seven trade concerns, including five new, were raised at the CTG 1-2 November 2021 meeting⁵⁸ (Table 3.16).

Table 3.16 Trade concerns raised at the CTG meeting of 1-2 November 2021

Measures implemented by	Member(s) raising the concern
Angola – Import Restricting Practices	Russian Federation
Australia – Discriminatory Market Access Prohibition on 5G Equipment	China
China – Administrative Measures for Registration of Overseas Producers of Imported Foods	United States
China – Cosmetics Supervision and Administration Regulations (CSAR)	Australia, European Union, Japan, and United States
China – Export Control Law	European Union and Japan
China – Implementation of Trade Disruptive and Restrictive Measures	Australia
China – Subsidy Transparency and China's Publication and Inquiry Point Obligations under China's Protocol of Accession	Australia, European Union, United Kingdom, and United States
Egypt – Manufacturer Registration System	European Union
European Union – Carbon Border Adjustment Mechanism (European Green Deal of December 2019)	China and Russian Federation
European Union – Implementation of Non-Tariff Barriers on Agricultural Products	Argentina, Australia, Brazil, Canada, Colombia, Costa Rica, Ecuador, Jamaica, Panama, Paraguay, United States, and Uruguay
European Union – Proposed Modification of TRQ Commitments: Systemic Concerns	Brazil, China, and Uruguay
European Union – Quality Schemes for Agricultural Products and Foodstuffs – the Registration of Certain Terms of Cheese as Geographical Indications	Uruguay
European Union – Regulation (EU) 2017/2321 and Regulation (EU) 2018/825	China and Russian Federation
European Union – Regulation EC No. 1272/2008 (CLP Regulation)	Russian Federation
European Union – Sweden's Discriminatory Market Access Prohibition on 5G Equipment	China
European Union – The European Green Deal	Russian Federation
India – Import Policy on Tyres	European Union, Indonesia, Chinese Taipei
India – Import Restriction on Air Conditioners	Japan
India – Indian Standards and Import Restriction in the Automotive Sector (Quality Control Orders): Wheel Rims, Safety Glass, Helmets	Indonesia
India – Mandatory Certification for Steel Products	Japan
India – Order Related to Requirement of Non-GM Cum GM Free Certificate Accompanied with Imported Food Consignment	United States
India – Plain Copier Paper Quality Order 2020	Indonesia
India – Restrictions on Imports of Certain Pulses	Australia, Canada, European Union, Russian Federation, and United States
Indonesia – Import and Export Restricting Policies and Practices	European Union, Japan, New Zealand, United States
Indonesia – Import Substitution Programme	European Union
Kingdom of Saudi Arabia – Saber Conformity Assessment Online Platform/Saleem Product Safety Program	United States

⁵⁵ WTO document WT/GC/M/195, 15 December 2021.

⁵⁶ WTO document WT/GC/M/198, 21 July 2022.

⁵⁷ WTO document WT/GC/245, 16 March 2022.

⁵⁸ WTO document G/C/M/141, 28 February 2022.

Measures implemented by	Member(s) raising the concern
Kingdom of Saudi Arabia, Kingdom of Bahrain, the United Arab Emirates, the State of Kuwait, Oman, and Qatar – Selective Tax on Certain Imported Products	European Union, Switzerland, and United States
Mexico – Conformity Assessment Procedure for Cheese Under Mexican Official Standard NOM-223-SCFI/SAGARPA-2018	United States
Mongolia – Measures Applied with Respect to Certain Agricultural Products	Russian Federation
Panama – Onions and Potatoes Harvest Life and Sprouting Requirements	United States
Russian Federation – Trade Restricting Practices	European Union and United States
Sri Lanka – Import Ban on Palm Oil	Indonesia
Sri Lanka – Import Ban on Various Products	Australia and European Union
United Kingdom – Draft Goods Schedule and Proposed UK TRQ Commitments: Systemic Concerns	Brazil, China, Russian Federation, Uruguay
United States – Export Control Measures for ICT Products	China
United States – Import Restrictions on Apples and Pears	European Union
United States – Measures Regarding Market Access Prohibition for ICT Products	China

Source: WTO Secretariat.

3.102. At the 21-22 April 2022⁵⁹ CTG meeting, 41 trade concerns were raised (Table 3.17).

Table 3.17 Trade concerns raised at CTG meeting of 21-22 April 2022

Measures implemented by	Member(s) raising the concern
Australia – Discriminatory Market Access Prohibition on 5G Equipment	China
Australia, Canada, European Union, Japan, New Zealand, Switzerland, United Kingdom, and the United States – Unilateral Trade-Restrictive Measures Against Russia	Russian Federation
China – Administrative Measures for Registration of Overseas Producers of Imported Foods	Indonesia and United States
China – Cosmetics Supervision and Administration Regulations (CSAR)	Australia, European Union, Japan, United States
China – Export Control Law	Japan
China – Implementation of Trade Disruptive and Restrictive Measures	Australia
Ecuador – Import Restrictions on Grapes and Onions	Peru
European Union – Belgium's Draft Law Introducing Additional Security Measures for the Provision of Mobile 5G Services	China
European Union – Carbon Border Adjustment Mechanism	China and Russian Federation
European Union – Countervailing Duties (CVD) on Stainless Steel Cold-Rolled Flat (SSCR)	Indonesia
European Union – European Green Deal (Carbon Border Adjustment Mechanism and Deforestation Free Commodities)	Indonesia
European Union – Implementation of Non-Tariff Barriers on Agricultural Products (G/C/W/767/Rev.1)	Australia, Brazil, Canada, Colombia, Costa Rica, Dominican Republic, Ecuador, Jamaica, Panama, Paraguay, Peru, United States, Uruguay
European Union – Proposed Modification of TRQ Commitments: Systemic Concerns	China and Uruguay
European Union – Quality Schemes for Agricultural Products and Foodstuffs-the Registration of Certain Terms of Cheese as Geographical Indications	New Zealand and Uruguay
European Union – Regulation EC No. 1272/2008 (CLP Regulation)	Russian Federation
European Union – Regulation (EU) 2017/2321 and Regulation (EU) 2018/825	Russian Federation
European Union – Sweden's Discriminatory Market Access Prohibition on 5G Equipment	China
European Union –European Green Deal	Russian Federation
India – Import Policy on Tyres	European Union, Indonesia, Chinese Taipei, Thailand
India – Import Restriction on Air Conditioners	Japan and Thailand

⁵⁹ WTO document G/C/M/142, 17 June 2022.

Measures implemented by	Member(s) raising the concern
India – Order Related to Requirement of Non-GM Cum GM Free Certificate Accompanied with Imported Food Consignment	United States
India – Plain Copier Paper Quality Order 2020	Indonesia
India – Restrictions on Imports of Certain Pulses	Australia, Canada, European Union, United States
Indonesia – Import and Export Restricting Policies and Practices	European Union, Japan, New Zealand, United States
Indonesia – Import Substitution Programme	European Union
Kingdom of Saudi Arabia – SABER Conformity Assessment Online Platform/Saleem Product Safety Program	United States
Kingdom of Saudi Arabia, Kingdom of Bahrain, United Arab Emirates, the State of Kuwait, Oman, and Qatar – Selective Tax on Certain Imported Products	Switzerland and United States
Mexico – Conformity Assessment Procedure for Cheese Under Mexican Official Standard Nom-223-Scfi/Sagarpa-2018	United States
Nepal – Import Ban on Energy Drinks	Thailand
Nigeria – Restrictive Policies on Agricultural Products	Brazil
Panama – Onions and Potatoes Harvest Life and Sprouting	United States
Panama – Undue Delays and Export Restrictions on Agricultural and Hydrobiological Products	Peru
Philippines – Special Safeguard on Instant Coffee	Indonesia
Plurinational State of Bolivia – Export Restrictions on Agricultural and Hydrobiological Products	Peru
Sri Lanka – Import Ban on Various Products	Australia and Thailand
United Kingdom – Draft Goods Schedule and Proposed UK TRQ Commitments: Systemic Concerns	China and Uruguay
United Kingdom – Environmental Act: Forestry Commodities	Indonesia
United States – Discriminatory Quantitative Restriction on Steel and/or Aluminium Imports	China
United States – Export Control Measures for ICT Products	China
United States – Import Restrictions on Apples and Pears	European Union
United States – Measures Regarding Market Access Prohibition for ICT Products	China

Source: WTO Secretariat.

3.103. During the CTG 21-22 April meeting, Ukraine raised concerns about Russian Federation's military actions, stating that some of which were targeting Ukraine's agricultural production capacity thus jeopardizing food security and risking a world food crisis. The Russian Federation raised concerns about unilateral measures introduced by Australia, Canada, European Union, Japan, New Zealand, Switzerland, United Kingdom and United States aimed at attacking the Russian Federation's economy as a result of its special military operation in Ukraine.

3.104. Concerns were raised by a number of Members on the direct impact of the Russian Federation's military action in Ukraine, which had prevented Ukraine's exports and also on the Russian Federation's measures to restrict its exports of fertilizers and other commodities, such as sugar, sunflower oil, wheat, meslin, rye, barley, corn, sunflower seeds, and rapeseed seeds (raised by Australia, Canada, European Union, Japan, Republic of Korea, New Zealand, Norway, Switzerland, United Kingdom, United States, and Ukraine).

3.105. At the 7-8 July 2022 CTG meeting⁶⁰, three new trade concerns were raised (Table 3.18).

Table 3.18 New trade concerns raised at CTG meeting of 7-8 July 2022

Measures implemented by	Member(s) raising the concern
Australia – investigation and review of anti-dumping duties on A4 copy paper	Indonesia
Egypt – Halal certification requirements for imported food and beverage products	Canada and United States
Pakistan – import restrictions on foodstuffs and consumer goods	European Union

Source: WTO Secretariat.

⁶⁰ WTO document G/C/M/143, 6 October 2022.

3.106. At the same meeting, 41 previously raised concerns were brought to the Council's attention (Table 3.19).

Table 3.19 CTG meeting of 7-8 July 2022: previously raised trade concerns

Measures implemented by	Member(s) raising the concern
Australia – Discriminatory Market Access Prohibition on 5G Equipment	China
Australia, Canada, European Union, Japan, Lithuania, New Zealand, Switzerland, United Kingdom, and the United States – Unilateral Trade-Restrictive Measures Against Russia	Russian Federation
China – Administrative Measures for Registration of Overseas Producers of Imported Foods	Australia and United States
China – Cosmetics Supervision and Administration Regulations (CSAR)	Australia, European Union, Japan, United States
China – Export Control Law	Japan
China – Implementation of Trade Disruptive and Restrictive Measures	Australia
China – Subsidy Transparency and China's Publication and Inquiry Point Obligations Under China's Protocol of Accession	Australia, Canada, European Union, Japan, United Kingdom, and United States
Ecuador – Import Restrictions on Grapes and Onions	Peru
European Union – Belgium's Law Introducing Additional Security Measures for the Provision of Mobile 5G Services	China
European Union – Carbon Border Adjustment Mechanism (CBAM)	China and the Russian Federation
European Union – Countervailing Duties (CVD) on Stainless Steel Cold-Rolled Flat (SSCR)	Indonesia
European Union – European Green Deal (Carbon Border Adjustment Mechanism and Deforestation Free Commodities)	Brazil and Indonesia
European Union – Implementation of Non-Tariff Barriers on Agricultural Products	Australia, Brazil, Canada, Colombia, Costa Rica, Dominican Republic, Ecuador, Guatemala, Panama, Paraguay, Peru, United States, Uruguay
European Union – Proposed Modification of TRQ Commitments: Systemic Concerns	Brazil and Uruguay
European Union – Quality Schemes for Agricultural Products and Foodstuffs – the Registration of Certain Terms of Cheese as Geographical Indications	New Zealand and Uruguay
European Union – Regulation EC No. 1272/2008 (CLP Regulation)	Russian Federation
European Union – Regulation (EU) 2017/2321 and Regulation (EU) 2018/825	Russian Federation
European Union – Sweden's Discriminatory Market Access Prohibition on 5G Equipment	China
European Union – the European Green Deal	Russian Federation
India – Import Policy on Tyres	European Union, Indonesia, Chinese Taipei, Thailand
India – Import Restriction on Air Conditioners	Japan and Thailand
India – Order Related to Requirement of Non-GG Cum GM Free Certificate Accompanied with Imported Food Consignment	United States
India – Plain Copier Paper Quality Order 2020	Indonesia
India – Restrictions on Imports of Certain Pulses	Australia, Canada, European Union, United States
Indonesia – Import and Export Restricting Policies and Practices	European Union, Japan, New Zealand, United States
Indonesia – Import Substitution Programme	European Union
Kingdom of Saudi Arabia, Kingdom of Bahrain, United Arab Emirates, the State of Kuwait, Oman, and Qatar – Selective Tax on Certain Imported Products	Switzerland and the United States
Mexico – Conformity Assessment Procedure for Cheese Under Mexican Official Standard Nom 223 SCFI/SAGARPA-2018	United States
Nepal – Import Ban on Energy Drinks	Thailand
Nigeria – Restrictive Policies on Agricultural Products	Brazil
Panama – Onions and Potatoes Harvest Life and Sprouting	Canada and United States
Panama – Undue Delays and Export Restrictions on Agricultural and Hydrobiological Products	Peru
Philippines – Special Safeguard on Instant Coffee	Indonesia

Measures implemented by	Member(s) raising the concern
Plurinational State of Bolivia – Export Restrictions on Agricultural and Hydrobiological Products	Peru
Sri Lanka – Import Ban on Various Products	Thailand
United Kingdom – Draft Goods Schedule and Proposed UK TRQ Commitments: Systemic Concerns	Brazil and Uruguay
United Kingdom – Environmental Act: Forestry Commodities	Brazil and Indonesia
United States – Discriminatory Quantitative Restriction on Steel and/or Aluminium Imports	China
United States – Export Control Measures for Chinese Enterprises	China
United States – Import Restrictions on Apples and Pears	European Union
United States – Measures Regarding Market Access Prohibition for ICT Products	China

Source: WTO Secretariat.

3.107. At the 30-31 March 2022 meeting of the *Committee on Market Access (CMA)*⁶¹, 18 trade concerns were raised (Table 3.20).

Table 3.20 Trade concerns raised at the CMA meeting of 30-31 March 2022

Measure implemented by	Member(s) raising the concern
Angola – Import Restriction Practices	European Union and United States
Canada – Restrictions on the Commercial Importation of Cannabis and Cannabis Products for Medical Use	Colombia
China – Trade Disruptive and Restrictive Measures	Australia
European Union – Carbon Border Adjustment Mechanism (CBAM)	Indonesia, Russian Federation
Kingdom of Saudi Arabia, Kingdom of Bahrain, United Arab Emirates, State of Kuwait, Oman, and Qatar – Selective Tax on Certain Imported Products	European Union, Switzerland, United States
India – Import Policies on Tyres	European Union, Indonesia, Chinese Taipei, Thailand
India – Import Restriction on Air Conditioners	Japan, Thailand
India – Plain Copier Paper Quality Order 2020	Indonesia
India – Quantitative Restrictions on Imports of Certain Pulses	Australia, Canada, European Union, United States
Indonesia – Import Substitution Programme	European Union
Indonesia – Customs Duties on Certain Telecommunication Products	United States, European Union
Mexico – Import Quota on Glyphosate	United States
Nepal – Import Ban on Energy Drinks	Thailand
Peru – Tax Treatment of Pisco	United Kingdom
Sri Lanka – Import Ban on Various Products	Australia, European Union, Thailand
Sri Lanka – Import Ban on Palm Oil	Indonesia
Philippines – Special Safeguard on Instant Coffee	Indonesia
United States – Discriminatory Quantitative Restriction on Steel and/or Aluminium Imports	China

Source: WTO Secretariat.

3.108. At the CMA March 2022 meeting, Ukraine made reference to its notification⁶² of export restrictions on certain agricultural products which were necessary to ensure national food security. They noted that these measures were implemented as a result of the Russian Federation's actions. Ukraine denounced the detrimental effects that the war had on international trade in food products. Thirteen Members (United Kingdom, United States, Paraguay, New Zealand, Japan, Republic of Korea, Norway, Türkiye, European Union, Chinese Taipei, Australia, Switzerland, and Canada) expressed support for Ukraine and noted the consequences of the Russian Federation's actions on global trade in goods. The Russian Federation stressed that the reasons for disruptions of global supply chains were the unilateral trade restricting measures introduced by Members, which were in direct violation of WTO rules. During that meeting, the Committee reviewed the quantitative

⁶¹ WTO document G/MA/M/76, forthcoming.

⁶² WTO document G/MA/QR/N/UKR/5/Add.2, 25 March 2022.

restrictions (QR) notifications from 16 Members. One notification from the United States related to import and export prohibitions against the Russian Federation on the ground of national security.⁶³

3.109. At the 8 April 2022 meeting of the *Committee on Import Licensing* (CIL)⁶⁴, new and persistent trade concerns were raised (Table 3.21).

Table 3.21 Trade concerns raised at the CIL meeting of 8 April 2022

Measures implemented by	Member(s) raising the concern
Angola – Import Licensing Requirements	European Union
China – Changes to Import Licensing for Certain Recoverable Materials	United States
Egypt – Import Licensing Requirements for Certain Agricultural and Processed Products	European Union
India – Quantitative Restrictions on Certain Pulses	Canada
India – Importation of Pneumatic Tyres	European Union, Indonesia, Chinese Taipei, Thailand
Indonesia – Import Restrictions: Compulsory Registration by Importers of Steel Products	Japan
Indonesia – Import Licensing Regime for Certain Textile Products	European Union and Japan
Indonesia – Import Restrictions on Air Conditioners	European Union and Japan
Thailand – Importation of Feed Wheat	European Union

Source: WTO Secretariat.

3.110. At the 7 October 2022 CIL meeting⁶⁵, new and persistent trade concerns were raised (Table 3.22).

Table 3.22 Trade concerns raised at the CIL meeting of 7 October 2022

Measures implemented by	Member(s) raising the concern
Angola – Import Licensing Requirements	European Union
Egypt – Import Licensing Requirements for Certain Agricultural and Processed Products	European Union
India – Importation of Pneumatic Tyres	European Union, Indonesia
Indonesia – Commodity Balancing Mechanism	European Union
Indonesia – Compulsory Registration by Importers of Steel Products	Japan
Indonesia – Import Licensing Regime for Certain Textile Products	European Union and Japan
Indonesia – Import Restrictions on Air Conditioners	Japan
Thailand – Importation of Feed Wheat	European Union

Source: WTO Secretariat.

3.111. At the 6 April and 11 October 2022 meetings of the *Committee of Participants on the Expansion of Trade in Information Technology Products* (ITA Committee)⁶⁶ an implementation issue was reiterated concerning Indonesia, calling for aligning the tariff treatment of certain ICT products classified under subheading 8517.62 with Indonesia's WTO commitments (raised by United States, European Union, and Japan).

3.112. At the meetings of the *Committee on Agriculture* (CoA) on 15-16 March, 27-28 June and 14-15 September 2022⁶⁷, several questions and concerns were raised with respect to Members' individual notifications, and on specific implementation matters (SIMs) under Article 18.6. During the review period, a total of 344 questions were discussed on individual notifications (198 questions),

⁶³ WTO document G/MA/QR/N/USA/5/Add.3, 21 March 2022.

⁶⁴ WTO document G/LIC/M/54, 20 June 2022.

⁶⁵ WTO document G/LIC/M/55, forthcoming.

⁶⁶ WTO documents G/IT/M/76, 2 August 2022 and G/IT/M/77 (forthcoming).

⁶⁷ Questions raised under the review process in the CoA meetings on 15-16 March, 27-28 June and 14-15 September 2022 are available in WTO document G/AG/W/217 and G/AG/W/217/Corr.1, G/AG/W/221 and G/AG/W/222. The questions, responses and follow-up comments are available through the Q&A section of the Agriculture Information Management System. Viewed at: <http://agims.wto.org/>.

Article 18.6 matters (130 questions covering 83 SIMs), and overdue notifications (16 questions). Additional details regarding these questions and concerns can be found in Section 3.6 of this Report.

3.113. At the meetings of the *Committee on Anti-Dumping Practices*⁶⁸ on 27 October 2021 and 27 April 2022, 33 concerns were raised as (Table 3.23).

Table 3.23 Concerns raised on anti-dumping practices

Measure(s) implemented by	Member(s) raising the concern
Argentina – Initiation – polymer profiles of vinyl chloride of the types used in the manufacture of openings or enclosures	Türkiye
Argentina – Initiation – tiles of glass whether or not on a backing, for mosaics or similar decorative purposes	Türkiye
Brazil – Investigation – liquid caustic soda	United States
Canada – Investigation – preliminary and final determinations – concrete reinforcing bars	Egypt and Russian Federation
China – Anti-dumping measures – Poultry	Brazil
China – Final determination and continued imposition of AD measures – unbleached sack paper	Japan
China – Final determination and continued imposition of AD measures – Grain oriented flat rolled electrical steel	Japan
Egypt – Anti-dumping measure – prestressed concrete steel strands	Tunisia
European Union – Initiation – corrosion resistant steel products	Türkiye
European Union – Initiation – ceramic tiles	Türkiye
European Union – Initiation – certain iron or steel fasteners	China
European Union – Initiation – aluminium road wheels	Morocco
European Union – Reopening of investigation – certain woven and/or stitched glass fibre fabrics	Egypt
India – Continued imposition of anti-dumping measures – hot-rolled flat products of alloy and non-alloy steel, and cold-rolled/cold reduced flat products of iron or non-alloy steel	Japan
India – Anti-dumping measures – electrogalvanized steel	Japan
Korea, Republic of – Final determination and continued imposition of AD duties based on the 4th sunset review – stainless steel bar	Japan
Korea, Republic of – Expiry review – Butyl glycol ether	United States
Mexico – Initiation – type I and type H steel beams	United Kingdom
Morocco – Initiation – galvanized wire	Türkiye
Philippines – Sunset review and extension of measures – wheat flour	Türkiye
South Africa – Preliminary determination and imposition of provisional measures – Frozen bone-in portions of fowls of the species <i>Gallus Domesticus</i>	European Union
South Africa – Preliminary determination and imposition of provisional measures – Frozen bone-in portions of fowls of the species <i>Gallus Domesticus</i>	Brazil
South Africa – Investigation – uncooked pasta	Egypt
South Africa – Initiation – frozen potato chips	European Union
Thailand – Final determination and continued imposition of AD duties – flat hot-rolled steel in coils and not in coils	Japan
Thailand – Anti-dumping investigation – hot-rolled steel coil	Egypt
Ukraine – Initiation – certain articles of asphalt or of similar material	Russian Federation
Ukraine – Initiation – aluminium ladders	European Union
United Kingdom – Transitional review – cold-rolled flat steel products	Russian Federation
United States – Investigation – raw honey	Ukraine

⁶⁸ WTO documents G/ADP/M/60, 17 December 2021 and G/ADP/M/61, 14 September 2022.

Measure(s) implemented by	Member(s) raising the concern
United States – Administrative review – Glycine	Japan
United States – Review of Russian Federation's market economy status – urea ammonium nitrate solutions	Russian Federation
United States – Anti-dumping measures - hot-rolled steel flat products	Türkiye

Source: WTO Secretariat.

3.114. Other issues and concerns were raised on: (i) Ukraine's undermined ability to fulfil its rights and obligations with respect to AD investigations both initiated by itself or by other Members due to the conflict between the Russian Federation and Ukraine (raised by Ukraine); (ii) the length of the United States anti-dumping measures – prolonged measures (raised by China and Japan); (iii) sunset reviews conducted by the European Union leading to continued imposition of prolonged anti-dumping measures (raised by China); (iv) European Union's Regulation (EU) 2017/2321 and Regulation (EU) 2018/825 (raised by Russian Federation); (v) Overall importance of prompt notifications for transparency purposes (raised by United States); and (vi) Transitional reviews and continued application by the United Kingdom of the European Union's anti-dumping measures conducted after Brexit (raised by China and Russian Federation).

3.115. At the meetings of the *Committee on Subsidies and Countervailing Measures* on 26 October 2021 and 26 April 2022⁶⁹ 17 concerns were raised on subsidies (Table 3.24).

Table 3.24 Trade concerns raised at the Committee on Subsidies and Countervailing measures

Measure(s) implemented by	Member(s) raising the concern
China – Countervailing duty investigation – n-Propanol (NPA)	United States
European Union – Anti-circumvention proceedings – Glass fibre fabrics	Egypt and Morocco
European Union – Final countervailing measures – Stainless steel cold-rolled flat products	Indonesia
India – Countervailing duty investigation – Aluminium primary foundry alloy ingot	Malaysia
India – Countervailing duty investigation – Copper tubes and pipes	Malaysia
India – Countervailing duty investigation – Saturated fatty alcohols	Malaysia
United Kingdom – Countervailing duty investigation – Ironing boards	Türkiye
United Kingdom – Countervailing duty investigation – Optical fibre cables	China
United States – Countervailing duty investigation – Phosphate fertilizers	Russian Federation
United States – Countervailing duty investigation & final measures – Seamless carbon and alloy steel standard, line, and pressure pipe	Russian Federation
United States – Countervailing duty investigation & imposition of provisional measures and preliminary determinations - Urea ammonium nitrate solutions	Russian Federation
United States – Preliminary findings and Provisional measures – Granular polytetrafluoroethylene resin	Russian Federation
United States – Initiation of countervailing duty investigation – Oil country tubular goods	Russian Federation
United States – Countervailing duty measures – Phosphate fertilizers	Morocco
United States – Preliminary or final determinations on "currency undervaluation" in countervailing duty investigations on Twist ties; Chassis; Pentafluoroethane; Mobile access equipment; and Walk-behind snow throwers	China
United States – Expiry reviews – Cold-rolled and hot-rolled steel sheets	Brazil
United States – Expiry review – Iron construction castings	Brazil

⁶⁹ WTO documents G/SCM/M/117, 4 March 2022 and G/SCM/M/119, forthcoming.

Source: WTO Secretariat.

3.116. Additional concerns were raised on: (i) the undermining of Ukraine's ability to fulfil its rights and obligations under the SCM Agreement due to the war (raised by Ukraine); (ii) disruptions in international trade caused by unilateral measures adopted against the Russian Federation and subsidies by the European Union to energy-intensive sectors (raised by Russian Federation); (iii) elimination of export subsidies by the Members that received extensions under Article 27.4 of the SCM Agreement; (iv) low and declining level of compliance with the notification and transparency obligations in the SCM Agreement; (v) requests for information pursuant to Article 25.8 and 25.9 (proposal on procedures from the United States); (vi) subsidies and overcapacity (raised by Australia, Canada, European Union, Japan, United Kingdom, and United States); (vii) request for information on certain alleged subsidy programmes in the steel sector in China (raised by European Union and United States); (viii) request for information on certain alleged subsidy programmes in the United States (raised by China); (ix) countervailing duty regulation of the United States regarding the assessment of currency undervaluation in CVD cases (raised by China); (x) use of adverse facts available by the United States in various CVD investigations (raised by China); (xi) transitional reviews and continued application by the United Kingdom of the European Union's CVD measures conducted after Brexit (raised by China); (xii) countervailing duty investigations by the European Union regarding the so-called transnational subsidies (raised by China); (xiii) increased trade protectionism through application of countervailing measures (raised by China); (xiv) subsidy transparency and China's publication and inquiry point obligations under China's protocol of accession (raised by Australia, Canada, European Union, Japan, the United Kingdom, and United States); (xv) proposed amendment to procedures for review of new and full subsidy notifications (raised by Australia, Canada, European Union, Japan, New Zealand, Chinese Taipei, United Kingdom, and United States).

3.117. At the meetings of the *Committee on Safeguards* held on 25 October 2021⁷⁰ and on 25 April 2022⁷¹, 23 concerns were raised on specific safeguard actions as (Table 3.25).

Table 3.25 Concerns raised at the Committee on Safeguards

Measure implemented by	Member(s) raising the concern
Costa Rica – investigation on refined white sugar	Brazil
European Union – Investigation on certain steel products	China, Japan, Russian Federation, Brazil, India, Switzerland, Türkiye, Republic of Korea
India – Investigation on solar cells	Japan
Indonesia – Investigation on carpets and other textile floor coverings	Japan
Indonesia – Investigation on articles of apparel and clothing accessories	Japan, European Union
Indonesia – Investigation on cigarette paper	European Union
Madagascar – Investigation on pasta	Mauritius
Morocco – Investigation on wire rods and reinforcing bars	European Union
Morocco – Investigation on lighting columns	European Union, Türkiye
Morocco – Investigation on coated wood board	European Union
Peru – Investigation on clothing	Brazil, Indonesia
Philippines – Investigation on motor vehicles	Japan
Philippines – Investigation on high-density polyethylene and linear low-density polyethylene pellets and granules	Brazil
South Africa – Investigation on screws fully threaded with hexagon heads made of steel	European Union
Türkiye – Investigation on polyester staple fibre	European Union, Egypt
Türkiye – Investigation on grinding balls and similar articles for mills	European Union
Türkiye – Investigation on yarn of nylon or other polyamides	Indonesia, European Union
Ukraine – Investigation on fresh cut roses	Ecuador, Colombia

⁷⁰ WTO document G/SG/M/59, 21 February 2022.

⁷¹ WTO document G/SG/M/60, 16 September 2022.

Measure implemented by	Member(s) raising the concern
Ukraine – Investigation on sodium hypochlorite	European Union
Ukraine – Investigation on PVC profile	European Union
United Kingdom – Investigation on certain steel products	China, Japan, Türkiye, Russian Federation, Brazil, Switzerland, Republic of Korea, India
United States – Investigation on crystalline silicon photovoltaic cells	Japan, Singapore, Malaysia

Source: WTO Secretariat.

3.118. Additional concerns were raised at the 25 April 2022 meeting on: (i) Ukraine's ability to conduct safeguard investigations, with certain deadlines in ongoing proceedings already lapsed without the respective actions having taken place, and many more deadlines were likely to be missed in the future (raised by Ukraine); (ii) disruptions in international trade caused by unilateral measures adopted against the Russian Federation (raised by the Russian Federation); (iii) WTO-inconsistency of the latest modification of the safeguard measure on certain steel products by the European Union (see also the table above) adjusting the tariff rate quota to reflect the fact that it had banned the imports of steel products originating in the Russian Federation and Belarus (raised by the Russian Federation); (iv) WTO-inconsistency of the latest notification of the safeguard measure on certain steel products by the United Kingdom (see also the table above) informing that it has initiated a process to review the safeguard measure in light of the trade measures it has imposed on imports from the Russian Federation and Belarus (raised by the Russian Federation).

3.119. At the meetings of the *Trade-Related Investment Measures (TRIMs) Committee* on 12 October 2021, 23 March 2022 and 12 October 2022⁷², new or returning issues were raised (Table 3.26).

Table 3.26 Concerns raised at the TRIMs Committee

Measure(s) implemented by	Member(s) raising the concern
Indonesia – Comprehensive review of localization measures ^a	European Union, Japan, United States
Indonesia – Import restriction on carpets and other textiles ^b	Japan, European Union
Indonesia – Import restriction on air conditioners ^c	Japan, European Union
India – Import restriction on air conditioners ^d	Japan
China – Draft of Chinese recommended national standard for office devices (information security technology-security specification for office devices)	Japan
China – The government procurement law of the People's Republic of China (the amendment draft)	Japan
Russian Federation – Measures implementing Russia's import substitution policy ^e	United States

- a WTO documents G/TRIMS/Q/IDN/5, 14 May 2019; G/TRIMS/Q/IDN/6, 13 March 2020; G/TRIMS/Q/IDN/7, 7 June 2020; and G/TRIMS/Q/IDN/8, 17 July 2020.
- b WTO document G/TRIMS/Q/IDN/9, 28 September 2021.
- c WTO document G/TRIMS/Q/IDN/10, 28 September 2021.
- d WTO document G/TRIMS/Q/IND/1, 28 September 2021.
- e WTO documents G/TRIMS/Q/RUS/4, 26 May 2016; G/TRIMS/Q/RUS/5, 27 September 2016; G/TRIMS/Q/RUS/6, 27 April 2017; G/TRIMS/Q/RUS/8, 24 January 2018; G/TRIMS/Q/RUS/7, 8 November 2017; G/TRIMS/Q/RUS/9, 22 March 2018; G/TRIMS/Q/RUS/10, 2 September 2020; and G/TRIMS/Q/RUS/11, 22 March 2022.

Source: WTO Secretariat.

3.120. At the meeting of the *Working Party on State Trade Enterprises (STEs)* of 13 May 2022⁷³, trade concerns were raised on: (i) information described as "not available" in the recent STE notification of China (raised by United States); (ii) the nature of the activities of Malaysia's STE Padiberas Nasional Berhad relating to the importation of rice (raised by European Union); (iii) Australia's decision to continue maintaining a monopoly for the export of rice from the state of New

⁷² WTO documents G/TRIMS/M/50, 2 December 2021; TRIMS/M/51, 25 April 2022 and TRIMS/M/52 (forthcoming).

⁷³ WTO document G/STR/M/40, 14 September 2022.

South Wales (raised by European Union); (iv) whether India should also notify Vijaya Dairy, located in the State of Telangana, as an STE (raised by European Union); (v) India's decision not to identify any STE for pulses in its notifications submitted in 2019 (raised by Australia); (vi) the continued non-notification of STEs by the Russian Federation (raised by European Union, United Kingdom and United States); (vii) and the low level of compliance with notification obligations (raised by European Union, Japan, United Kingdom and United States).

3.121. At the meetings of the *Council for Trade in Services* (CTS) held on 22 October 2021, 11 March 2022, and 16 May 2022⁷⁴, concerns were reiterated about: (i) cybersecurity measures of China and Viet Nam (raised by Japan and United States); (ii) 5G-related measures of Australia (raised by China); (iii) measures of the United States regarding Chinese services and service suppliers (raised by China); (iv) measures of India regarding Chinese services and service suppliers (raised by China); (v) measures of the Kingdom of Saudi Arabia on localisation of customer services (raised by United States).

3.122. At the October 2021 meeting, concerns were also repeated about measures of the Russian Federation requiring software pre-installation (raised by United States), and, at that occasion, the European Union also raised a concern about a measure of the Russian Federation related to Russian software. At the May 2022 meeting, concerns were also raised about services trade measures of Albania, Australia, Canada, the European Union, Iceland, Japan, Liechtenstein, Montenegro, New Zealand, North Macedonia, Norway, the Republic of Korea, Singapore, Switzerland, the United Kingdom, and the United States (raised by Russian Federation).

3.123. At the meeting of the *Committee on Trade and Development* (CTD) held on 10 November 2021⁷⁵, the delegation of Chad, on behalf of the LDC Group, noted that the COVID-19 pandemic had caused LDCs' exports of goods and services in 2020 to decline by more than the exports of the rest of the world. This export decrease had left LDCs with very few options in terms of the budgetary requirements needed for economic stimulus. At the CTD meeting of 25 March 2022⁷⁶, several delegations expressed concern with the economic, trade and humanitarian impact of the war in Ukraine. At this meeting, as well as at the subsequent CTD meeting held on 20 June 2022⁷⁷, a communication from India and South Africa titled "Global Electronic Commerce for Inclusive Development"⁷⁸ was included in the agenda. This communication states, *inter alia*, that the digital divide between developed and developing countries is a matter of considerable concern, and that the existing e-commerce moratorium on electronic transmissions limits the ability of developing countries to impose tariffs on the growing imports of electronic transmissions.

3.124. At the meeting of the CTD's Dedicated Session on Small Economies of 19 October 2021⁷⁹, several Members of the SVE Group pointed to the negative impact of the COVID-19 pandemic on small economies. The Committee agreed to a draft text, submitted by the SVE Group, for a Ministerial Decision at MC12 on the Work Programme on Small Economies⁸⁰ which, *inter alia*, calls for work to be undertaken on "integrating small economies into the post-COVID-19 economy: effects of the pandemic, challenges and opportunities".⁸¹ The Ministerial Decision on the Work Programme on Small Economies that was adopted at MC12 is contained in documents WT/MIN(22)/25 and WT/L/1136 of 22 June 2022.

3.125. The above Section provides evidence of the numerous trade concerns raised in the various WTO bodies between mid-October 2021 and mid-October 2022. For most of the review period, WTO Committees and Councils continued to hold meetings in hybrid format due to COVID-19 restrictions. At many of these meetings, reference was also made to the war in Ukraine in various statements under several agenda items. Several new trade concerns were raised during the review period, and

⁷⁴ WTO documents S/C/M/147, 19 November 2021; S/C/M/148, 14 April 2022; and S/C/M/149, 24 June 2022.

⁷⁵ WTO document WT/COMTD/M/116, 15 December 2021.

⁷⁶ WTO document WT/COMTD/M/117, 30 May 2022.

⁷⁷ WTO document WT/COMTD/M/118, 15 July 2022.

⁷⁸ WTO document WT/COMTD/W/264, 9 November 2021.

⁷⁹ WTO document WT/COMTD/SE/M/42, 24 November 2021.

⁸⁰ WTO document WT/COMTD/SE/W/42, 7 October 2021.

⁸¹ Subsequently, at the meeting of the Dedicated Session held on 20 May 2022 (WTO document WT/COMTD/SE/M/43, 3 June 2022), the Committee agreed to a proposed outline, submitted by the SVE Group, of a background document to be prepared by the Secretariat on this topic (WTO document WT/COMTD/SE/W/44, 22 April 2022).

several had already been raised in previous periods, indicating persistent and unresolved issues. Also, some trade concerns were raised in more than one WTO body, suggesting that these concerns involve cross-cutting and technically complex issues. It may also suggest that WTO Members are continuing to use multiple platforms within the WTO committee structure to address various aspects of such concerns. The decision to raise a trade concern is systemically important because it brings added transparency. In addition, it demonstrates that Members are utilizing the WTO Committees to engage trading partners on real or potential areas of trade friction or, as has been witness during the latter part of the review period, more general issues of concern.

3.126. The repetition and non-resolution of the same trade concerns and issues in various WTO bodies remains a source of concern, as it has been reiterated in previous Reports. The Secretariat will continue to closely monitor developments in this area.

3.127. Box 3.3 takes a closer look at environment-related trade concerns raised at WTO bodies.

Box 3.3 Environment-related trade concerns are increasing in number

With a growing awareness of the need to tackle environmental challenges, WTO Members have been increasingly adopting measures to address such challenges, some of which have an impact on trade. In parallel, some Members have questioned these measures' WTO-compatibility.

Indeed, WTO bodies have been receiving an increasing number of trade concerns addressed at unilateral environmental measures with a trade impact. While supportive of the objectives of environmental protection, some Members have characterized these measures as inconsistent with WTO rules because they might:

- be of a protectionist nature (either because the rules do not apply in the same way to domestic producers or support granted to domestic producers but not to producers in other Members);
- result in undue discrimination of other Members;
- diverge from science-based standards set by international standard setting bodies recognized by WTO Agreements; and/or
- seek to impose changes in production processes as market access conditions.

In addition, these Members argue that some of these measures might result in an inconsistency with multilateral environmental agreements and their principles (e.g. common but differentiated responsibilities (CBDR) in the context the United Nations Framework Convention on Climate Change (UNFCCC)) and regret the lack of a deeper international cooperation to minimize these measures' trade-related effects. For some of the measures, they fear that the measures may end up having a detrimental impact on the environmental policies of other Members with different development, socio-economic, and climate conditions.

Some of these discussions have been brought to the Council for Trade in Goods (CTG)^a after being raised in some of its subsidiary bodies, including the Committee on Market Access, the Committee on Agriculture, the SPS Committee, and the TBT Committee.

At various CTG meetings, 46 Members^b from different regions and at various levels of development have expressed their concern over several measures. These include the European Green Deal in itself, and the measures deriving from it: the Carbon Border Adjustment Measure (CBAM); the implementation of non-tariff barriers on agricultural products; the Regulation on Classification, Labelling and Packaging of Substances and Mixtures (CLP Regulation); the Renewable Energy Directive; and the Deforestation Free Commodities Policy. The European Union, for its part, has explained its measures against the backdrop of the existential threats posed by climate change and biodiversity loss, and the need for a comprehensive plan to make the EU economy and EU society ready to meet its Paris Agreement goals, and to facilitate the resetting of its economic policy to better respond to these challenges.

Five Members^c have expressed similar concerns over the United Kingdom's Environmental Act and its forestry commodities policy, to which the United Kingdom has responded that its measures are part of a wider package of measures to improve the sustainability of supply chains and contribute to global, national and local efforts to protect forests and other ecosystems.

Finally, two Members^d have taken the floor on India's import restrictions on air conditioners and refrigerants (hydrofluorocarbons), which India has explained as a measure to comply with the Kigali Amendment to the Montreal Protocol on Substances that Deplete the Ozone Layer.

a The complete record of these discussions can be found in the Minutes of CTG meetings from April 2019-July 2022, contained in WTO documents G/C/M/134-143.

b Argentina; Armenia; Australia; the Kingdom of Bahrain; the Plurinational State of Bolivia; Brazil; Canada; China; Chile; Colombia; Costa Rica; Côte d'Ivoire; Dominican Republic; Ecuador; Egypt; El Salvador; Guatemala; Honduras; India; Indonesia; Jamaica; Japan; Kazakhstan; the Republic of Korea; the Kyrgyz Republic; Malaysia; Mexico; Mozambique; New Zealand; Nicaragua; Nigeria; Panama; Pakistan; Paraguay; Peru; the Philippines; Qatar; the Russian Federation; the Kingdom of Saudi Arabia; Senegal; Sri Lanka; Chinese Taipei; Thailand; Türkiye; the United States; and Uruguay.

c Argentina; Brazil; India; Indonesia; and Japan.

d Japan and Thailand.

Source: WTO Secretariat.

3.6 Policy developments in agriculture

3.128. The Committee on Agriculture (CoA) provides a forum for Members to discuss matters related to agricultural trade, and to consult on matters related to Members' implementation of commitments under the Agreement on Agriculture (AoA). The review work of the CoA is based on notifications that Members make in relation to their commitments and on matters raised under Article 18.6 of the AoA (i.e. Specific Implementation Matters (SIMs)). The Committee has also been tasked with the monitoring of the implementation of specific outcomes reached under the agriculture negotiations. Additionally, the CoA takes up other matters, including the follow-up to the Marrakesh Decision on Least-developed and Net Food-Importing Developing countries (NFIDCs). Since 2020, the Committee has also hosted discussions on "COVID-19 and Agriculture" to collectively review the impact of the pandemic on global agriculture and food systems and to monitor governments' policy responses to address its effects and aftershocks.

3.129. The Committee at its March 2022 meeting conducted the annual follow-up to the Marrakesh Ministerial Decision where NFIDC Members raised the issue of financing challenges to safeguard vulnerable importing countries' access to food through commercial imports. The issue of the importance of transparency of international food aid was also highlighted to assess the impact of adverse market conditions on LDCs and NFIDCs' access to food. The follow-up to the Marrakesh Ministerial Decision also received a specific attention at MC12 where Ministers mandated a work programme to examine how the NFIDC Decision could be made more effective and operational (see below).

3.130. During the period under review, the CoA held three regular meeting, on 15-16 March, 27-28 June, and 14-15 September 2022. Members posed 344 questions regarding individual notifications, overdue notifications, and SIMs under Article 18.6. Most questions concerning individual notifications were related to domestic support notifications (64%). For matters under Article 18.6 (SIMs), around half of those (47%) related to domestic support policies followed by SIMS on policies affecting market access (30%).

3.131. In total, 18 Members raised 130 questions on 83 SIMs in the meetings considered in this review.⁸² The average number of questions raised under Article 18.6 per meeting has been on the rise since 2011, reaching an all-time high of an average of 74 questions per meeting in 2020. These numbers declined in 2021 and 2022, but they remained higher than the average number of questions raised in the Committee meetings during 1995 to 2017 with an average of 51 and 43 questions per meeting, respectively. These numbers include questions that were repeated over more than one meeting.

3.132. Out of the 83 SIMs raised in the CoA during the period under review, more than half (51) were discussed for the first time. Of these, half related to domestic support programmes, 25% to market access issues, 18% concerned policies prohibiting or restricting exports of foodstuffs, and the remaining 7% concerned export competition issues.

3.133. In the domestic support pillar, Members sought clarification on support policies targeting specific sectors or products, including cereals (China's grain reserve; Panama's compliance with its domestic support commitments; and India's other support for rice), cotton (China's blue box support to cotton), dairy (Japan's stockpiles of skin milk powder and India's dairy Sahakar scheme), livestock (Canada's herd management and drought assistance programme and Canada's support to the pork industry), vegetables (Canada's support to Prince Edward Island potato producers), wine (Canada's financial support for wine production) and biofuels (United States subsidies for biofuels from agricultural products and USD 800 million subsidies for biofuels from agricultural products). A couple of SIMs concerned domestic support policies with an environmental component (US funding for environmental action and US Climate Smart Agriculture and Forestry strategy). There were also questions raised on domestic support policies with a wider sectoral scope (Egypt's increase in planted area; EU's new CAP; India's price support; Panama's support to rice, milk and maize; UK's bound AMS; China's agricultural input subsidies; US crop production support; Russian Federation's compensation to farmers; Canada's support for the Next Gen Agriculture Mentorship programme;

⁸² Argentina, Australia, Brazil, Canada, European Union, India, Indonesia, Japan, New Zealand, Paraguay, Republic of Korea, Russian Federation, Switzerland, Thailand, Ukraine, United Kingdom, United States, and Uruguay.

US Market Facilitation Programme; India's increased budget for subsidy support for farmers use of fertilizers; and EU's agricultural policies funded by national resources).

3.134. SIMs in market access targeted measures that restricted, or had the potential to restrict, trade in agricultural products, including coffee (Philippine's SSG application on instant coffee), champagne (Chinese Taipei's import tariff on champagne), dairy (Ecuador's new milk law), rice (Malaysia's rice import system and Philippine's import regime for rice) and mung beans (India's mung beans import restrictions). Several SIMs concerned policies with potential market implications with a broader scope (Saudi Arabia's tariff increases on agricultural goods; UK's SSG entitlements; Egypt's import requirements; and Italy's local content requirement) and two SIMs related to potential market access implications of specific policies related to environmental objectives (Australia's ethanol tax and the UK's forest risk commodities provisions). One SIM concerned a policy with trade-facilitating effects (Mexico's tariff reductions on foodstuffs to improve food security).

3.135. Nine SIMs related to measures restricting or prohibiting exports of agricultural products, including cereals (Kazakhstan's export quotas on meslin, wheat, and wheat flour; India's export restriction measures on rice; India's export restrictions on rice and wheat; Guyana's prohibition of rice exports and Argentina's export restrictions of wheat), palm oil (Indonesia's palm oil export restrictions), poultry (Malaysian's chicken export prohibition) and multiple agricultural products (Kazakhstan's quantitative export restrictions on agricultural products and Türkiye's export restrictions on agricultural products).

3.136. Three SIMs sought further information and clarification on policies that potentially subsidized exports of agricultural products (Oman's Vision 2020 plan, Türkiye's freight support and the United States partnership to ease port congestion and restore disrupted shipping services to the United States growing agricultural commodities).

3.137. A total of 32 SIMs that were discussed during the review period were a follow-up to matters raised in previous Committee meetings. Some of these matters have been raised multiple times in the CoA. For example, there were 9 SIMs that have been raised between 9 and 21 times in different CoA meetings attracting as many as 67 questions (Canada's new milk ingredient class-raised 21 times; Canada's dairy policies- raised 19 times; India's pulses policies- raised 16 times; Mongolia's quota regime for importation- raised 13 times; China's cotton policies- raised 10 times; and Canada's review of its TRQ system, India's public stockpiling and India's skim milk powder export subsidies-raised 9 times each). Similarly, matters related to Canada's compensation for farmers after trade concessions, EU's environmental policies and Nigeria's import prohibitions on certain agricultural products and use of reference prices for customs valuation purposes have figured in the Committee's agenda on seven different occasions. Other agricultural policies of Angola, Argentina, China, Côte d'Ivoire, Egypt, EU, India, Mongolia, Philippines, Russian Federation, South Africa, Tajikistan, and US were also the subject of repeated concerns under Article 18.6.

3.138. All 83 SIMs (new and repeated), including questions, answers and follow-up comments can be accessed through the Agriculture Information Management System (AG IMS).⁸³

3.139. Regarding steps taken by WTO Members to implement the December 2015 Nairobi Ministerial Decision on Export Competition, out of the 16 Members with positive export subsidy commitment levels in their schedules at the time of adoption of the Decision, 13 have had their revised export subsidy schedules certified (Australia, Brazil, Colombia, Iceland, Indonesia, Israel, Mexico, Norway, South Africa, Switzerland, Türkiye, United States, and Uruguay); two (Canada and European Union) circulated their draft revised schedules, which are pending certification; and one Member still has to circulate its revised draft schedule (Bolivarian Republic of Venezuela).

COVID-19 pandemic, conflicts and food security

3.140. Food security has remained high on the agenda of the CoA especially since the onset of the COVID-19 pandemic. The pandemic and governments' policy responses to address its effects and aftershocks have significantly impacted on the global economy and, agriculture and food systems have not been insulated from the crisis. It was against this background that the Committee convened a special meeting in June 2020 to collectively review the impact of COVID-19 on the agriculture

⁸³ By selecting the function "Search Q&A Submitted Since 1995" on the AG IMS (<http://agims.wto.org/>) and inputting meeting number 100, 101 and 102 in the search criteria.

sector within the framework of the AoA.⁸⁴ Global food security challenges and governmental policy responses in the agricultural sector to address these challenges have since dominated the Committee's discussions in its recent meetings. Furthermore, the Committee has undertaken a targeted examination of Members' export-limiting measures on food to enhance transparency and provided an important forum for Members to collectively consult on these measures.

3.141. While the food security challenges resulting from the pandemic have been lingering, the war in Ukraine and adverse weather conditions have further exacerbated the situation. Rising global food, agricultural inputs and energy prices having severe food security implications, especially for LDCs and NFIDCs. At MC12 Ministers adopted a package containing multilateral rules and collective guidance on a wide range of matters, including food security.

3.142. The Ministerial Declaration on the Emergency Response to Food Insecurity⁸⁵ reflects the collective resolve of the WTO membership that "any emergency measures introduced to address food security concerns shall minimize trade distortions as far as possible; be temporary, targeted, and transparent; and be notified and implemented in accordance with WTO rules". Ministers also established a work programme to be elaborated under the auspices of the CoA to examine how the [Marrakesh Ministerial Decision](#) could be made more effective and operational to, *inter alia*, consider the needs of LDCs and NFIDCs and to increase their resilience in responding to acute food instability. The Committee has begun discussions on the work programme in its June and September meetings. Enhancing agriculture production and productivity in LDCs and NFIDCs, including by best utilizing the flexibilities in multilateral agricultural trade rules; enhancing accessibility to food markets, *inter alia*, by examining the international supply chain bottlenecks; and examining financing challenges to import food especially during uncertain and volatile market conditions are some of the specific matters that have been put forth for examination.⁸⁶

3.143. Ministers at MC12 also adopted the Decision⁸⁷ to exempt from export prohibitions or restrictions food purchases by the World Food Programme (WFP) for non-commercial humanitarian purposes and thereby strengthening the WFP to fulfil its humanitarian mission to deliver emergency food assistance and nutritional support to millions of food insecure people across the globe. The MC12 Declaration⁸⁸ on the WTO response to the COVID-19 pandemic and preparedness for future pandemics also underscores the importance of global food security in resilience-building and responding to the current and future pandemics and espouses a multifaceted and comprehensive approach to address food security. This Declaration calls on relevant WTO bodies, including the CoA, to analyse lessons learned and challenges experienced during the COVID-19 pandemic. The CoA's ongoing discussion on COVID-19 and Agriculture should henceforth be anchored by the holistic guidance in the MC12 Declaration on the COVID-19 pandemic.

3.144. The CoA's deliberations⁸⁹ have demonstrated that food security is a multifaceted challenge requiring a comprehensive policy response. There has been an appreciation of the importance of maintaining open and well-functioning global agricultural markets for food security; the discussions have also underscored the potentially damaging effects of trade-restrictive measures, including export restrictions, which could exacerbate the existing market volatility and uncertainty and thereby jeopardize world food security. Simultaneously, the importance of enhanced investment in the agricultural sector to unlock production capacities has been emphasized for the long-term resilience of the sector, especially in developing economies. Members have also appreciated the work of Observer International Organizations in monitoring global food and input prices and other market developments, including through the Agricultural Market Information System (AMIS), to enhance transparency of agricultural markets and facilitate policy collaboration for food security. Beginning with the March 2022 Committee meeting, the Russian-Ukraine war and its implications for food security worldwide have also taken centre stage in the discussions on food security. At the September 2022 meeting, Members welcomed the Black Sea Grain Initiative to facilitate safe exports

⁸⁴ At that special meeting, Members also agreed to include "COVID-19 and Agriculture" as a standing item on the agenda of the CoA meetings and to also invite Observer International Organizations to contribute to the debate.

⁸⁵ WTO document WT/MIN(22)/28, WT/L/1139, 22 June 2022.

⁸⁶ WTO documents G/AG/W/223, 12 September 2022; and G/AG/W/224, 14 September 2022.

⁸⁷ WTO document WT/MIN(22)/29, WT/L/1140, 17 June 2022.

⁸⁸ WTO document WT/MIN(22)/31, WT/L/1142, 22 June 2022.

⁸⁹ The summary of discussions during 2022 can be found in the Summary Report of the March, June and September meetings of the Committee respectively in WTO documents G/AG/R/101, 12 April 2022; G/AG/R/102, 8 August 2022; and G/AG/R/103 (forthcoming).

of grain, foodstuffs, and fertilizer from Ukrainian ports and to help arrest the rising global food price inflation.

Export restrictions

3.145. Some of the measures put in place by Members in response to the COVID-19 pandemic and the conflict included restriction or prohibition on exports of agricultural products. The AoA establishes disciplines for cases where Members institute export prohibitions or restrictions to prevent or relieve critical shortages of foodstuffs (Article 12). Transparency is at the heart of these disciplines. The AoA states that (i) Members are to give due consideration to the effects of such prohibition or restriction on importing Members' food security; and (ii) before any Member institutes an export prohibition or restriction, it shall give notice in writing, as far in advance as practicable, to the CoA, comprising such information as the nature and the duration of such measure, and shall consult, upon request, with any other Member having a substantial interest as an importer with respect to any matter related to the measure in question. Based on the agreed notification requirements and formats established by the CoA, these written notices are referred to as ER:1 notifications. The AoA includes a special and differential treatment provision, whereby the above requirements do not apply to developing-country Members unless the measure is taken by a developing-country Member which is a net food exporter of the specific foodstuff concerned.

3.146. In the period under review, there were 10 export restrictions or prohibitions notified to the CoA. Of these, one notified measure from Kazakhstan covering sunflower seeds and oil⁹⁰ was attributed to the COVID-19 pandemic; and one notified measure from the EU covering cereals⁹¹ was attributed to the disruption of grain supplies from the Black Sea region.

3.7 General economic support

3.147. At the 27 July 2022 TPRB informal meeting dedicated to discussing the Director-General's Report on Trade-Related Developments⁹², WTO Members engaged in a comprehensive and constructive exchange of views. Some Members expressed strong support for the Secretariat's coverage on economic support measures and stressed the importance of enhanced transparency in this area. Others underlined the need for consensus on the scope of the exercise and called on Members to further participate in the Reports and to engage in discussions to improve the exercise, also as part of the 7th TPRM Appraisal.

3.148. Since July 2017, the Secretariat has been unable to justify the inclusion of a separate Annex on general economic support measures in the Trade Monitoring Reports. This has been partly due to the low participation and response rate of WTO Members to the request for information, and partly because such an Annex would be biased against those Members that traditionally share and publish detailed information on such measures. Discussions among delegations at the past few meetings of the TPRB on the Trade Monitoring Reports have addressed this issue with several Members emphasizing the need to preserve and strengthen transparency through the monitoring exercise. Several Members welcomed the online COVID-19 support measures list⁹³ compiled by the WTO Secretariat, which was put in place in the early stages of the pandemic. The list provides an informal situation report and is an attempt to enhance transparency around support measures taken in response to the COVID-19 crisis. It includes only information and measures communicated by delegations directly to the WTO Trade Monitoring Section and only in the original language of the submission.

Regular economic support measures (not related to COVID-19)

3.149. In response to Director-General's 7 March and 31 August 2022 requests for information for this Trade Monitoring Report, 39 WTO Members (Albania; Bangladesh; Brazil; Colombia; Costa Rica; European Union⁹⁴; Hong-Kong, China; India; Thailand; Türkiye; Ukraine and United Kingdom)

⁹⁰ WTO document G/AG/N/KAZ/15, 27 April 2022.

⁹¹ WTO documents G/AG/N/EU/77, 13 April 2022; G/AG/N/EU/77/Rev.1, 11 July 2022; and G/AG/N/EU/77/Rev.2, 23 September 2022.

⁹² WTO document WT/TPR/OV/W/16, 13 July 2022.

⁹³ WTO, *COVID-19: Support Measures*. Viewed at: https://www.wto.org/english/tratop_e/covid19_e/trade_related_support_measures_e.htm.

⁹⁴ Counting the EU (27) and its members separately.

volunteered information on 48 regular general economic support measures unrelated to the pandemic. The Secretariat's own research suggests that during the review period numerous other support measures with potential impact on trade flows were implemented by WTO Members. An upward trend was observed in the second part of the review period as governments introduced several measures to cope with multiple interlinked crises in the energy sector, with respect to food security and with growing inflation. The introduction of these support measures appears to be linked to the economic repercussions of the war.

3.150. Measures included numerous energy-related support schemes such as support for renewable-energy production, investments in alternative energy power plants and in clean- and renewable-energy projects, grants to renewable-energy businesses, financial support for electricity storage facilities, credits to energy firms to avoid the cash crisis, energy bills support schemes to households, and energy prices guarantees schemes.

3.151. Several measures were also introduced to support farmers and the agricultural sector, including production subsidies to cereals and oil seed farmers, direct grants to farmers, support measures to food production plans, aid schemes to support the livestock sector and other specific agricultural sectors (seeds, wheat, beekeepers, wine), fundings for the purchase of machines and agricultural equipment, incentives to strengthening sustainable development and natural-based elements or technologies that increase agricultural productivity, grants to support agri-food companies and general programmes for the development of agriculture. Other support measures implemented during the review period included transport-related aid schemes and measures to support the automotive sector, including investments in manufacturers of electric vehicles. Other measures included health-related financial grants, support to businesses and MSMEs including financial and tax incentives, inflation-fighting fiscal measures, investments to promote the use or development of digital technologies, draw-back regimes, and assistance to exporting businesses, including reductions or cancelation of fees in customs statements to empowering local industries' exports and credit guarantee schemes and R&D innovation measures.

3.152. As in the past, several of these economic support measures were introduced as multi-year programmes, with financial disbursements staggered over the lifetime of a project. Others were one-off grants or aid schemes.

COVID-19-related economic support measures

3.153. In response to Director-General's 7 March and 31 August 2022 requests for information 48 Members⁹⁵ volunteered information on 93 COVID-19-related support measures to the Secretariat, mainly related to extensions, renewals, or terminations of measures.

3.154. Since the beginning of the pandemic, at least 1,762 COVID-19-related economic support measures have been put in place by 113 Members and 7 Observers.⁹⁶ Of these, by mid-October 2022, 1,117 (63%) were communicated directly to the WTO Secretariat. Overall, 702 COVID-19-related economic support measures were implemented by G20 economies, of which 387 (55%) were communicated directly to the Secretariat.

3.155. The unprecedented number of COVID-19-related support measures put in place since the beginning of the pandemic far exceeds the activity seen in the wake of the global financial crisis of 2008-09. These measures came in in the form of grants, loans or stimulus packages targeting sectors of the economy heavily affected by the pandemic, including agriculture, health, aviation, transport, tourism, education, culture, as well as fiscal and financial measures to support businesses and MSMEs and broader stimulus packages. Another set of support measures in response to the COVID-19 pandemic included various actions by Central Banks. The responses of high-income economies have been significantly more generous in terms of the number and variety of measures implemented and funds allocated than those offered by lower-income economies.

⁹⁵ Albania; Australia; Bangladesh; Belize; Brunei Darussalam; Cambodia; El Salvador; European Union (counting the EU (27) and its members separately); Honduras; Hong Kong, China; Indonesia; Korea, Republic of; Macao, China; Myanmar; Nepal; Norway; Philippines; Kingdom of Saudi Arabia; Thailand; Türkiye; and United Kingdom.

⁹⁶ Azerbaijan, Belarus, Equatorial Guinea, Ethiopia, Iraq, Lebanon, and Serbia.

3.156. COVID-19-related support measures have generally appeared to be temporary in nature and most were put in place in 2020, in particular in the second, third and fourth quarters. Several of these support measures were one-off grants or aid schemes and many were introduced for a fixed period covering a few months to a couple of years. Although numerous COVID-19-related support measures were implemented on a temporary basis, providing an accurate number of terminated measures is difficult. Information about terminations, including specific legislative acts rolling back support programs entirely or partially, is often not displayed on governmental websites, announced in the press and is not regularly communicated to the Secretariat.

3.157. The Trade Monitoring Exercise does not make any judgement as to the WTO-compatibility of any of the measures referred to in this Section. While it is possible that these measures, whether taken as part of an overall commercial strategy or as part of an emergency response to the COVID-19 pandemic, may affect trade in some way, it is not always straightforward to conclude that they restrict or facilitate trade (and by how much), or that they distort competition.

3.158. Overall, the current review period saw the introduction of a large number of general economic support measures in response to multiple interlinked crises in the energy and food sectors and as a result of surging inflation. These came on top of the challenges posed by the COVID-19 pandemic. As in the context of the Global Financial Crisis in 2008-09, the current uncertain international environment has seen a surge in trade measures by national governments and sub-national governmental entities to deal with a multitude of economic, social, and humanitarian challenges. In 2009, the WTO responded to the call by G20 Leaders to monitor measures taken in response to the crisis by reporting on the large number of implemented government support and stimulus programs. At the time, it was widely recognized that many of those measures included provisions which affected trade flows. The COVID-19 pandemic as well as the various impacts felt because of the Russian invasion of Ukraine have again created a global crisis environment to which governments are responding with a range of measures that may affect trade directly or indirectly. Several WTO Members have referred to the importance of monitoring such measures, especially in the context of a crisis.

3.8 Other selected trade policy issues

3.159. This Section provides a brief overview of the other selected trade policy issues where important developments took place during the review period.

3.160. On 17 June, WTO Members successfully concluded the 12th Ministerial Conference (MC12) in Geneva with negotiated outcomes on a series of key trade initiatives which contains unprecedented decisions on fisheries subsidies, WTO response to health emergencies, including a patent waiver for COVID-19 vaccines, food security, e-commerce, and WTO reform. All documents related to the outcome of MC12 can be found on the WTO website.⁹⁷

Discussions at the General Council of developments in relation to COVID-19 and to the war in Ukraine

3.161. The General Council has seen WTO Members engage on COVID-19-related matters on several occasions during the review period. Delegations have also referred to the war between the Russian Federation and Ukraine as part of their statements under various other agenda items at regular meetings of the General Council – including on 24 February, on 9-10 May, on 25-26 July and 6-7 October 2022 as well as at the special meetings of the General Council on 31 March on 7 June 2022.⁹⁸

3.162. At the 22-23 November 2021, 23-24 February, and 9-10 May and 7 June 2022 General Council meetings⁹⁹, the TRIPS Council Chair reported on the discussions on the proposed waiver on some TRIPS provisions by India, South Africa, and other co-sponsors in relation to the prevention, containment or treatment of COVID-19. At the May meeting, the TRIPS Council Chair noted that,

⁹⁷ WTO Ministerial Conference, MC12:

https://www.wto.org/english/thewto_e/minist_e/mc12_e/documents_e.htm.

⁹⁸ WTO documents WT/GC/M/196, 4 May 2022; WT/GC/M/198, 21 July 2022; WT/GC/M/197, 5 May 2022, WT/GC/M/200, 6 September 2022 and WT/GC/M/201 (forthcoming).

⁹⁹ WTO documents WT/GC/M/194, 14 February 2022; WT/GC/M/196, 4 May 2022; WT/GC/M/198, 21 July 2022; and WT/GC/M/199, 6 September 2022.

on 3 May, a communication containing the outcome of informal discussions between a group of Ministers had been circulated for discussion in the TRIPS Council.¹⁰⁰ At the June meeting, the TRIPS Council Chair updated Members on these discussions including on the negotiations of the Outcome Text, the latest revision of which became the basis of the decision taken by Ministers and Heads of Delegation at MC12.¹⁰¹

3.163. At the 25-26 July and 6-7 October General Council meetings¹⁰², the co-sponsors of IP/C/W/669/Rev.1 requested the item "Paragraph 8 of the Ministerial Decision on the TRIPS Agreement adopted on 17 June 2022 – document WT/MIN(22)/30" to be included in the agenda, which generated considerable discussion and well as a statement by the TRIPS Council Chair.

3.164. At the 22-23 November 2021 General Council meeting, the General Council Chair-appointed Facilitator delivered his final Report on the multilateral process on the WTO response to the pandemic. Subsequently, the General Council Chair continued to facilitate the discussions among Members and reported on this work at the 23-24 February General Council meeting. The Facilitator provided a further update to the General Council meeting on 9-10 May. After the May General Council meeting, WTO documents JOB/GC/304, JOB/GC/305 and JOB/GC/306 were circulated on 13 May 2022. At the 7 June Special General Council meeting, the Facilitator updated Members on these discussions. This resulted in an outcome document forwarded to Ministers and Heads of Delegation on 10 June for action and this, in turn, became the basis of the decision taken by them during MC12.¹⁰³

3.165. At the 9-10 May 2022 General Council meeting¹⁰⁴, Brazil introduced its communication on Intellectual Property, Transfer of Technology and Capacity Building for COVID-19 and Beyond.¹⁰⁵

3.166. At the same meeting the United Kingdom, on behalf of the co-sponsors¹⁰⁶, made a statement on Open and Predictable Trade in Agricultural and Food Products.¹⁰⁷ Under this item several delegations referred to the conflict between the Russian Federation and Ukraine. At the same meeting, the Russian Federation presented its communication and made a statement on the Trade-Disruptive Practices of Certain Members and their Implications for the WTO.¹⁰⁸ During the discussion, the following communications were also referred to by their respective co-sponsors: Joint statement on aggression by the Russian Federation against Ukraine with the support of Belarus¹⁰⁹; Joint statement regarding the application from Belarus for accession to the WTO¹¹⁰; and a communication from the Russian Federation.¹¹¹

Aid for trade

3.167. The Aid for Trade initiative was launched at the WTO Ministerial Conference in December 2005. The 2022 Global Review of Aid for Trade, held from 27 to 29 July 2022, focused on the theme "Empowering Connected Sustainable Trade". The 2022 conference was held against the backdrop of the COVID-19 pandemic and efforts by Members and the international community to contain the spread of the virus, respond to its impacts and devise measures to improve resilience to future shocks. It provided an opportunity to discuss the constraints facing developing countries, and in particular LDCs, in areas of supply-side capacity and trade-related infrastructure, and how Aid for Trade can help advance the 2030 Agenda for Sustainable Development. A particular focus was placed on the opportunities that digital connectivity and sustainability offer for economic and export

¹⁰⁰ WTO document IP/C/W/688, 3 May 2022.

¹⁰¹ The MC12 Ministerial Decision on the TRIPS Agreement of 17 June 2022 can be found in WTO document WT/MIN(22)/30, WT/L/1141, 22 June 2022.

¹⁰² WTO documents WT/GC/M/200, 6 September 2022 and WT/GC/M/201 (forthcoming).

¹⁰³ The MC12 Ministerial Declaration on the WTO Response to the COVID-19 Pandemic and Preparedness for Future Pandemics can be found in WTO document WT/MIN(22)/W/13, 10 June 2022.

¹⁰⁴ WTO document WT/GC/M/198, 21 July 2022.

¹⁰⁵ WTO document WT/GC/W/845, 28 April 2022.

¹⁰⁶ Albania; Australia; Canada; Chile; Costa Rica; European Union; Georgia; Iceland; Israel; Japan; Republic of Korea; Liechtenstein; Mexico; Republic of Moldova; Montenegro; New Zealand; North Macedonia; Norway; Paraguay; Singapore; Switzerland; Chinese Taipei; Ukraine; United Kingdom and United States.

¹⁰⁷ WTO document WT/GC/248, 6 May 2022.

¹⁰⁸ WTO document WT/GC/245, 16 March 2022.

¹⁰⁹ WTO document WT/GC/244, 15 March 2022.

¹¹⁰ WTO document WT/GC/246, 24 March 2022.

¹¹¹ WTO document WT/GC/247, 6 April 2022.

diversification – and how Aid for Trade can help empower different economic actors to realize these opportunities. The 2022 Global Review was underpinned by an extensive monitoring and evaluation (M&E) exercise.¹¹²

3.168. Key messages from the Review confirmed that trade remains a development priority despite the COVID-19 pandemic and highlighted the continued importance of several strategies used to mitigate the impacts of the pandemic, including trade facilitation objectives, support to MSMEs, and women's economic empowerment. A growing awareness of climate change risks and a desire to develop the digital economy to foster resilience were also noted. Climate finance is increasingly intertwined with aid for trade financing, notably in the area of renewable-energy infrastructures. Energy poverty is a critical supply-side constraint for many developing countries and engagement between the public and private sectors to help finance the transition to a low-carbon economy is on the rise.

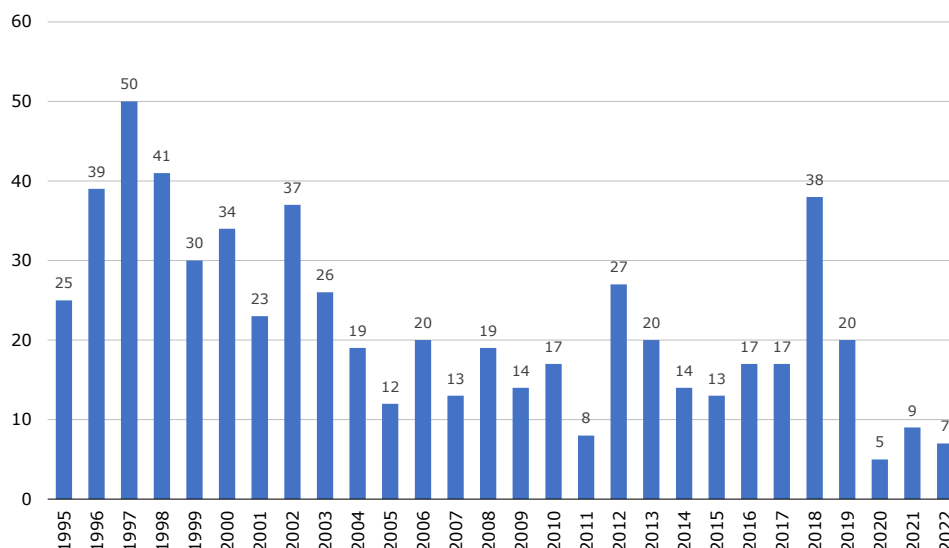
3.169. Since 2006, a total of USD 556 billion has been disbursed for financing Aid for Trade programmes and projects, with disbursements to LDCs amounting to USD 152 billion. In 2020, an almost equal share of disbursements (49%) was allocated to building productive capacity and economic infrastructure. Africa (38%) and Asia (35%) remained the largest beneficiaries of Aid for Trade.

Dispute settlement

3.170. Between the beginning of October 2021 and the beginning of October 2022 Members initiated eight new disputes, seven of which were filed between January and October 2022 (Chart 3.17). In addition, the WTO dispute settlement system continued to deal with several proceedings initiated in the years 2018-2019. As of the end of September 2022, panel proceedings in 26 disputes and one arbitration on the level of suspension of concessions or other obligations under Article 22.6 of the DSU were ongoing.

3.171. The subject matter of the new disputes initiated during the review period spanned a wide range of issues covered under the GATT 1994, the GATS, the SPS Agreement, the SCM Agreement, the Anti-Dumping Agreement, the TRIPS Agreement, the Import Licensing Agreement, and the AoA. As in previous years, both developed and developing-country Members were involved in dispute settlement proceedings, as complainants, respondents, or third parties.

Chart 3.17 New disputes initiated per calendar year 1995-22



Note: Data for 2022 cover January to September.

Source: WTO Secretariat.

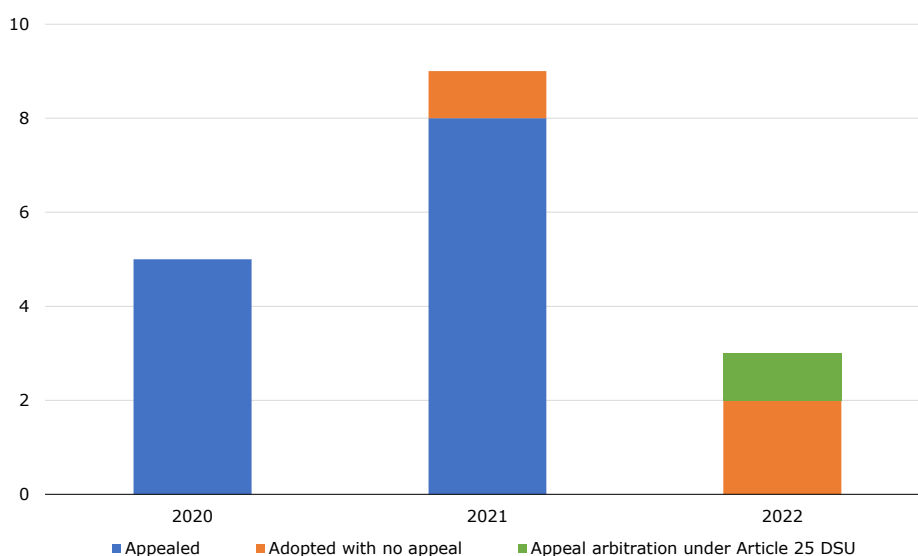
¹¹² The aid-for-trade reports published at the 2022 Global Review. Viewed at: www.wto.org/gr2022.

3.172. The easing of travel restrictions relating to the COVID-19 pandemic in early 2022 saw an increasing number of substantive meetings of panels and arbitrators in hybrid format or in person in Geneva, as opposed to fully virtual meetings. During the review period of October 2021-October 2022, panels held two substantive meetings exclusively through remote participation; ten in a hybrid format; and three exclusively in person.

3.173. Panels also circulated reports in seven disputes and arbitrators issued decisions on the level of suspension of concessions or other obligations under Article 22.6 of the DSU in two proceedings. The Dispute Settlement Body adopted panel reports in three disputes, while Members appealed four panel reports (Chart 3.18). These appeals cannot be currently considered, as in the absence of consensus among WTO Members to launch the selection process for Appellate Body members all seven positions on the Appellate Body remain vacant.

3.174. Parties to ten disputes have agreed to an alternative appeal mechanism based on arbitration proceedings under Article 25 of the DSU with a view to ensuring review of panel reports in the absence of a functioning Appellate Body. The first such appeal arbitration award was issued during the review period.

Chart 3.18 Panel reports appealed and adopted 2020-22



Note: Data for 2022 cover January to September.

Source: WTO Secretariat.

Electronic commerce

3.175. Discussions on electronic commerce are continuing under two parallel tracks – multilaterally under the General Council and its relevant subsidiary bodies, and under the Joint Statement Initiative (JSI) on Electronic Commerce. In both settings, delegations are reiterating the need to address development-related challenges, including the digital divide.

3.176. At the multilateral level, discussions on the Work Programme and on the moratorium on customs duties on electronic transmissions intensified ahead of MC12. Ministers adopted a decision to reinvigorate the work under the Work Programme, intensify discussions on the moratorium – including on scope, definition, and impact – and extend the moratorium until MC13 or March 2024, at the latest.

3.177. Since then, engagement has resumed at different levels. In September, the Chair of the General Council held initial consultations with Members on how to organize the work moving forward and how to ensure complementarity between the work of the subsidiary bodies and that of the General Council. At a meeting in October, the Chair suggested holding dedicated discussions in the General Council to address horizontal issues, including the development dimension, and encouraged

all delegations to bring forward proposals. He also suggested that work in the subsidiary bodies should proceed based on Members' proposals. Discussions have also resumed in some of the regular bodies tasked with the implementation of the Work Programme. The Committee on Trade and Development continued to discuss a submission on global electronic commerce for inclusive development and the Chairs of the Council for Trade in Goods and the Council for Trade in Services will conduct consultations on how to implement the MC12 Decision.

3.178. In the context of the JSI on e-commerce, participants have reached convergence on eight articles: e-authentication and e-signatures; e-contracts; open government data; online consumer protection; unsolicited commercial electronic messages (spam); transparency; paperless trading; and open Internet access. Participants are continuing their negotiations in 2022 based on the September 2021 Consolidated text. Small group discussions are active on privacy, cybersecurity, e-invoicing, telecommunications, electronic transactions frameworks, customs duties on electronic transmissions, and source code. At the September cluster of meetings, Mauritius announced its decision to join the Initiative, bringing the total number of participants to 87. The co-conveners (Australia, Japan, and Singapore) announced that they aim to circulate a revised consolidated text by the end of 2022 and consider that the overall agreement could be concluded by end of 2023 or early 2024.

Fisheries subsidies

3.179. At MC12, WTO Members adopted and opened for acceptance the new WTO Agreement on Fisheries Subsidies.¹¹³ WTO Members are currently undertaking their domestic processes for accepting the Agreement. In accordance with Article X:3 of the Marrakesh Agreement Establishing the WTO, the Agreement will enter into force when two thirds of WTO Members have accepted it. Paragraph 4 of the Ministerial Decision adopted at MC12 mandates the Negotiating Group on Rules (NGR) to continue negotiating on outstanding issues, particularly on certain forms of subsidies that contribute to overcapacity and overfishing, including special and differential treatment as an integral part of the negotiations. The aim of this "second wave" of negotiations is to make recommendations to MC13 for additional provisions that would achieve a comprehensive agreement on fisheries subsidies.

3.180. In October 2022, Members took part in a brainstorming retreat on the substance and process of these further negotiations on fisheries subsidies. Members suggested starting with a knowledge-building exercise to inform the negotiations and emphasized the importance of concluding them by MC13.

Government procurement

3.181. The plurilateral WTO Agreement on Government Procurement 2012 (GPA 2012) is an important instrument for keeping GPA Parties' government procurement markets open and safeguarding good governance in their government procurement markets. Currently, the Agreement has 21 Parties, covering 48 WTO Members¹¹⁴ Thirty-six WTO Members/Observers and four International Organizations participate as observers in the Committee on Government Procurement (CGP).

3.182. During the reporting period, significant progress was made on the GPA 2012 accessions of Brazil and North Macedonia. The conclusion of these accessions, on mutually agreeable and appropriate terms, would be significant for the GPA 2012 and for the WTO. The Dominican Republic became the first observer to the CGP from the Caribbean region.

3.183. Fifteen GPA Parties¹¹⁵ circulated a joint statement to the WTO General Council and the CGP "condemning" the Russian Federation's "military assault on Ukraine" while declaring that they "will

¹¹³ WTO document WT/MIN(22)/33, 22 June 2022.

¹¹⁴ The European Union and its 27 member States are covered by the Agreement as one Party.

¹¹⁵ Australia; Canada; European Union; Iceland; Japan; Republic of Korea; Republic of Moldova; Montenegro; the Netherlands with respect to Aruba; New Zealand; Norway; Chinese Taipei; Ukraine; United Kingdom and United States.

not participate in any work related to the Russian Federation's accession to the World Trade Organization's Agreement on Government Procurement and consider the process suspended".¹¹⁶

Micro, small and medium-sized enterprises (MSMEs)

3.184. The MSME Informal Working Group (MSME Group) includes 95 WTO Members from all regions of the world and all levels of development. Preparation for MC12 occupied much of the MSME Group's time throughout the reporting period. Although a finalized draft declaration¹¹⁷ was put forward by the Group in September 2021, changed circumstances prevented the Group from endorsing the document at MC12 and instead, a report on the progress the Group was presented by Group's Coordinator on the side-lines of the ministerial.

3.185. One concrete outcome of the Group's work has been the Trade4MSMEs platform, as website with trade guides for MSMEs and information on small business and trade issues for policymakers that was launched in December 2021. The MSME Group further established a Trade4MSMEs Network of 17 international organizations and development banks in June 2022 to ensure the site remains updated with the latest available content through annual meetings and mid-year check-ins.

3.186. The MSME Group agreed to hold its Small Business Champions initiative annually, joint with the ICC and ITC. This year's annual initiative had the theme "helping small businesses transition to a sustainable economy" and the organizers recognized two winners and two runners-up in September 2022.

3.187. Implementation of the December 2020 package with its recommendations and declarations remains a priority.¹¹⁸ Other work by the MSME Group is proceeding on the basis of proposals and presentations by Members on a variety of topics including provisions in regional trade agreements, cross-border payments, environmental sustainability, low-value shipments, paperless trade and cyber readiness. Direct communication with business remains important and the MSME Group's last annual dialogue with the private sector took place in February 2022.

Regional trade agreements (RTAs)

3.188. During the review period, WTO Members notified 11 RTAs (17 notifications) compared to 51 RTAs (75 notifications) during the previous period which saw an unprecedented increase in notifications following the entry into force of agreements concluded by the United Kingdom after it withdrew from the European Union. Of these RTAs, six include trade liberalization in both goods and services; two relate to trade in goods only, while for the remaining three RTAs, trade liberalization in services was added to complement agreements in trade in goods already in place among the parties.¹¹⁹

3.189. As at 15 October 2022, the total number of RTAs notified to the WTO, and to the GATT before it, and currently in force, amounted to 355 (186 covering goods and services, 167 goods only, and 2 services only). The WTO Secretariat has also identified and verified, through the respective parties, 62 RTAs that are in force, but have not yet been notified to the WTO.¹²⁰

3.190. Based on notifications, RTA activity remains strongest in Europe (26% of RTAs in force), with successive EU enlargements, the United Kingdom's new agreements following its withdrawal from the EU and agreements with countries in Eastern Europe and around the Mediterranean basin, as well as RTAs notified by EFTA; this is followed by East Asia (16%) and South America (11%) (Chart 3.19).

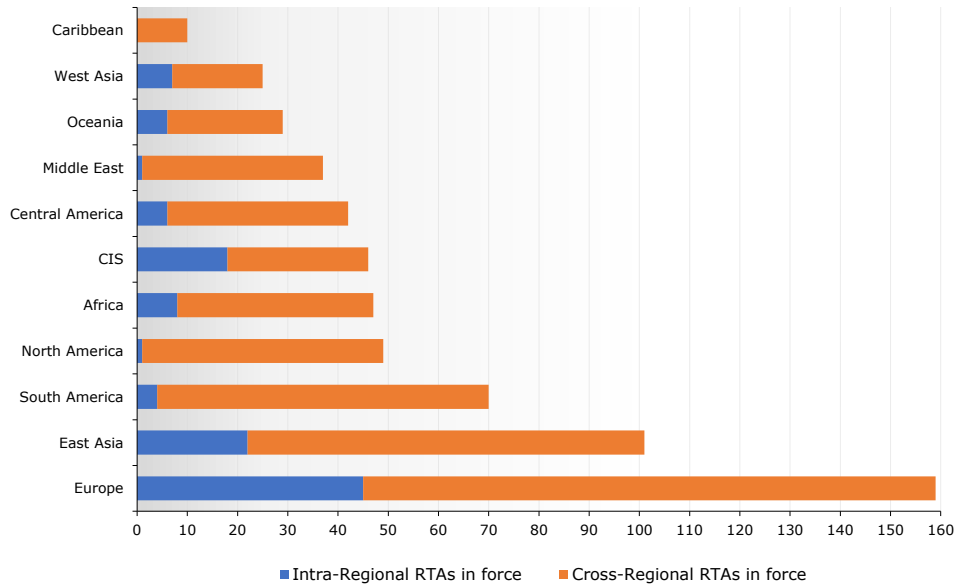
¹¹⁶ WTO document GPA/155, 20 June 2022.

¹¹⁷ WTO document INF/MSME/W/36, 28 September 2021.

¹¹⁸ WTO document INF/MSME/4/Rev.2, 6 October 2021.

¹¹⁹ The WTO RTA Database (viewed at: <http://rtais.wto.org>) provides updated information on all RTA notifications submitted by WTO Members.

¹²⁰ WTO document WT/REG/W/169, 12 September 2022.

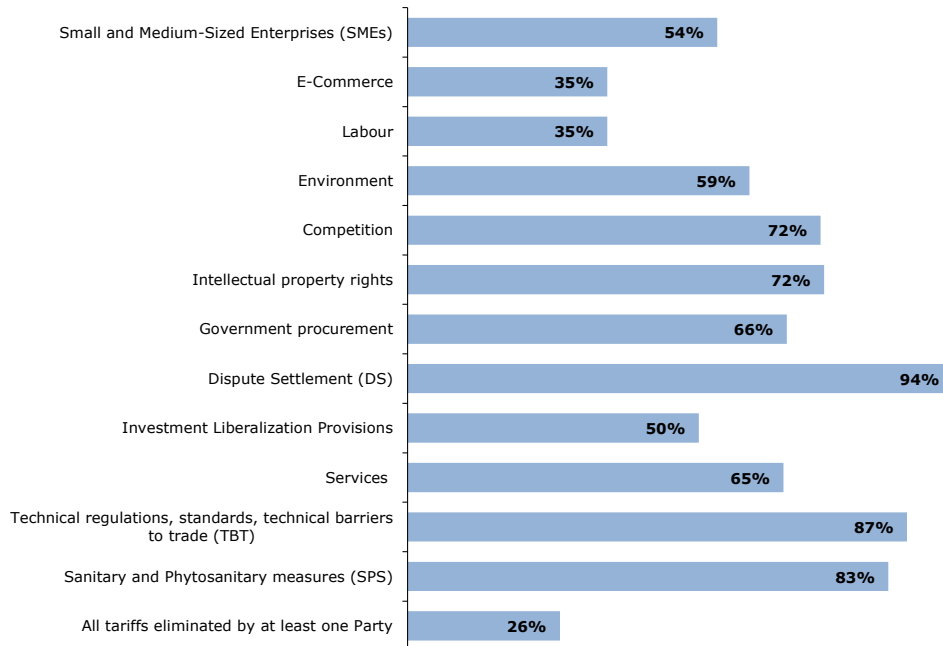
Chart 3.19 RTAs in force, by region

Note: RTAs involving countries/territories in two (or more) regions are counted more than once.

Source: WTO Secretariat.

3.191. The WTO Members with the most RTAs in force are the European Union, the United Kingdom, the EFTA States, Chile and Singapore, with over 25 RTAs in force each, followed by Türkiye, Mexico, and Peru, which have over 20 RTAs in force each. A number of other developing countries also have several RTAs in force, such as the Republic of Korea, India and Panama.

3.192. Over the years RTAs have become more complex, and many currently include provisions that go beyond market access in goods and services. Of 341 RTAs notified to the WTO and currently in force, the vast majority include dispute settlement mechanisms, followed by provisions related to trade in goods such as technical regulations, standards, technical barriers to trade and sanitary and phytosanitary measures. Other provisions frequently found in RTAs include intellectual property rights and government procurement. More recent RTAs also include provisions on which there are few or no WTO rules, including competition, environment, labour, and small and medium-sized enterprises (Chart 3.20).

Chart 3.20 Key provisions in RTAs

Note: Figures are based on 341 RTAs (out of 355) notified to the WTO and currently in force. For more details on these provisions: <http://rtais.wto.org/>.

Source: WTO Secretariat.

New initiatives

3.193. In recent years there has been an emergence of new initiatives or agreements which do not include market access provisions such as tariff concessions or focus on a particular sector or activity. These include the digital economy partnership agreement (DEPA), standalone digital economy agreements (DEAs) and other approaches to trade cooperation and liberalization. The DEPA, signed by three partners (Chile, New Zealand and Singapore) entered into force in January 2021 and goes beyond the digital trade provisions in recent RTAs, such as the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP, to which all three are party).¹²¹ It includes provisions on the adoption and use of technology to facilitate trade, including through paperless trading and legal frameworks based on international models and confirms the WTO moratorium on customs duties; data issues, such as the protection of personal information, cross-border transfer of information electronically and location of computing facilities; issues related to safety such as cybersecurity, consumer protection; and cooperation on small and medium-sized enterprises and digital inclusion. The DEPA is open for accession by other parties and China, Canada and the Republic of Korea have applied to join. DEAs are currently in force for Singapore with three other parties: Australia, Republic of Korea and United Kingdom. They aim to align digital rules and standards and facilitate interoperability between digital systems; support cross-border data flows and consumer rights; and encourage cooperation in emerging areas such as digital identities, artificial intelligence and data innovation.¹²² Digital economy agreements have also been signed by other WTO Members; for example, the digital trade agreement between the United States and Japan was signed in October 2019.

3.194. The Indo-Pacific Economic Framework for Prosperity (IPEF) was launched in May 2022 in Tokyo, Japan, by 13 partners (Australia, Brunei Darussalam, Fiji, India, Indonesia, Japan, Malaysia, Philippines, Republic of Korea, Singapore, Thailand and Viet Nam). Discussions take place under four broad pillars: trade, supply chains, clean economy and fair economy. On the trade pillar the statement issued after a first meeting in September 2022, indicated that the partners would "seek

¹²¹ An exchange of side letters between the Parties indicates that nothing in the DEPA will derogate from commitments under their RTAs: New Zealand-Singapore FTA, the ASEAN-Australia-New Zealand FTA, and the Trans-Pacific SEP and the CPTPP (both including all three Parties).

¹²² Viewed at: [Digital Economy Agreements \(mti.gov.sg\)](https://www.mti.gov.sg/Digital-Economy-Agreements).

to craft high-standard, inclusive, free, fair, and open trade commitments that build upon the rules-based multilateral trading system." In particular, they intend to focus on provisions and initiatives that relate to labour and environment, digital economy, agriculture, transparency and good regulatory practices, competition policy, trade facilitation, inclusivity and technical assistance and economic cooperation.

3.195. The Technology and Trade Council (TTC) is a forum that brings together the United States and the European Union and was established in June 2021. The TTC meets at the technical level in 10 Working Groups. The Working Group on Global Trade Challenges currently looks at a number of initiatives including avoiding unnecessary trade barriers, trade policy cooperation on non-market policies and practices, trade and labour, trade and environment, trade-related aspects of economic coercion, and trade, agriculture and food security.¹²³

Trade and environment

3.196. The Committee on Trade and Environment (CTE) continued to focus its discussions on global multilateral issues at the intersection between trade and environmental policies. Dedicated discussions at the CTE covered circular economy and plastics pollution; trade and climate change; biodiversity, transfer of technology, and capacity building.¹²⁴ Members have also continued discussions on trade-related aspects of the EU Green Deal, including the plan to establish a Carbon Border Adjustment Mechanism and the proposal for new rules to curb EU-driven deforestation and few initiatives that were of relevance to trade under the 2020 Circular Economy Action Plan (CEAP), including, *inter alia*, a legislative proposal for substantiating green claims made by companies; a review of requirements on packaging and packaging waste in the EU; new policy framework on bio-based, biodegradable and compostable plastics; and measures to reduce the impact of micro-plastic pollution on the environment.

3.197. Other briefings included topics such as the preparations for and results of COP26, and the subsequent preparations for COP27, the Agreement on Climate Change, Trade and Sustainability initiative, Fossil Fuels Subsidy Reform as well as sustainable supply chains.

3.198. Ministers affirmed at the MC12 outcome document the role of the CTE as a standing forum dedicated to dialogue among Members on the relationship between trade measures and environmental measures.

3.199. On 15 December 2021, the co-sponsors of the three environmental initiatives—the Trade and Environmental Sustainability Structured Discussions (TESSD¹²⁵), the Dialogue on Plastics Pollution and Sustainable Plastics Trade (Dialogue¹²⁶), and Fossil Fuel Subsidy Reform (FFSR¹²⁷) launched their respective ministerial statements with a view to preparing technical work for concrete outcomes at MC13. In February 2022, the Dialogue and TESSD agreed on work plans to implement objectives cited in the respective ministerial statements, while the FFSR work plan was issued in June 2022. TESSD held two sets of working group meetings in May and October 2022 to progress discussions on trade-related climate measures, environmental goods and services, circular economy and subsidies. During MC12, the Dialogue issued a Ministerial Statement by Coordinators, showcasing the early results achieved by the initiative (i.e. the launch of two surveys on trade-related plastic measures and on aid for trade global review and needs assessment, and a communication to the World Customs Organisation on enhanced cooperation to better identify plastics and substitutes trade flows) and indicating areas of future work.

3.200. Box 3.4 provides some perspectives on trade and climate change and on the necessity to plan for climate change adaptation.

¹²³ Viewed at: <https://www.whitehouse.gov/wp-content/uploads/2022/05/TTC-US-text-Final-May-14.pdf>.

¹²⁴ Annual Report 2021, WTO document WT/CTE/28/Rev.1, 22 November 2021; WTO document WT/CTE/M/73 (on the October 2021 CTE Meeting), 21 January 2022; WTO document WT/CTE/M/74 (on the February 2022 CTE Meeting), 25 May 2022; and, WTO document WT/CTE/M/75 (on the 2 June 2022 CTE Meeting), 3 October 2022.

¹²⁵ Viewed at: https://www.wto.org/english/tratop_e/tesdd_e/tesdd_e.htm.

¹²⁶ Viewed at: https://www.wto.org/english/tratop_e/ppesp_e/ppesp_e.htm.

¹²⁷ Viewed at: https://www.wto.org/english/tratop_e/envir_e/fossil_fuel_e.htm.

Box 3.4 Climate change adaptation and trade

Extreme weather induced by climate change will increase industrial production costs, test the resilience of global supply chains, and erect obstacles to smooth and efficient trade. From this year's drought in Europe, leading to record low water levels in rivers and crippling intra-European trade, to the monsoon in Pakistan resulting in the death of over 1,000 people and leaving millions homeless, the increasing occurrence of extreme weather events has negatively impacted people and businesses around the world.

In the short term, the damage caused by climate change-related extreme weather events can reduce productivity, increase trade costs, and cause supply chain disruptions. In the long term, it can affect trade by altering countries' comparative advantages and thus their production specialization. No region is immune to the negative impacts of climate change, but trade costs are likely to increase unevenly across regions leaving small economies and landlocked countries especially exposed to impacts on transport infrastructure. In the agricultural sector, Sub-Saharan Africa and South Asia are expected to experience larger negative yield shocks compared to other regions. Rising sea levels and extreme weather conditions could also permanently damage tourism infrastructure, for economies that are highly dependent on tourism. Equally, manufacturing sectors dependent on climate sensitive inputs (such as food processing), labour-intensive sectors, and sectors that are highly integrated into global value chains are more vulnerable to climate change. For all of these reasons, planning for climate change adaptation is an urgent priority and necessity that should complement ongoing mitigation efforts.

The forthcoming World Trade Report 2022 on trade and climate change and the related [Policy Brief "Climate Change Adaptation and Trade"](#) make the case for why international trade plays an essential role in climate risk prevention, reduction and preparedness. International trade can indirectly help economies to steer some of their financial resources towards climate change adaptation actions by encouraging economic growth and thus providing additional financial support to invest in adaptation strategies. Trade and trade policy can also enhance economic resilience to climate change-related shocks both in terms of preparedness (e.g. trade in services like weather forecasting, telecommunications, transportation, and health), in providing access to essential goods and services once a shock hits, and by speeding up the economic recovery and reconstruction. At MC12, Members unanimously agreed to exempt purchases by the World Food Programme (WFP) from export prohibitions and restrictions in view of the need of critical humanitarian support. The WFP can thus continue to efficiently respond to humanitarian issues, including those induced by extreme weather, by using trade tools. Furthermore, trade can support efforts to alleviate climate change-induced food insecurity by helping bridge supply-and-demand gaps in regions experiencing rising or falling crop yields, as a consequence of climate change. Finally, trade by encouraging innovation and driving down technological costs, facilitates the diffusion and development of technologies that can help with adaptation to climate change. For instance, imports can increase access to technologies that offset negative agricultural yield shocks such as more resistant crop varieties, irrigation and water storage systems, or early warning systems for biopesticide use.

The WTO, as a global forum for cooperation, can help to support climate adaptation efforts by promoting the transparency and predictability of trade policies related to climate change adaptation and by limiting unnecessarily trade-restrictive policies. The WTO supports the conditions underpinning the climate resilience of supply chains by reducing trade barriers, streamlining customs procedures, and encouraging the transparency and predictability of trade policies, including those related to climate change adaptation. WTO bodies, in particular the CTE, provide the platform for policy dialogue and experience-sharing in trade-related climate change adaptation strategies. WTO Members also use informal dialogues, such as the Trade and Environmental Sustainability Structured Discussions (TESSD) to promote concrete actions and support sustainable supply chains and trade-related climate change adaptation strategies. An increasing number of Aid for Trade projects, representing around USD 5.75 billion or 12% of total Aid for Trade disbursements, have also been allocated to projects related to climate change adaptation. The WTO is actively demonstrating that it is part of the solution for climate change adaptation.

Source: WTO Secretariat.

3.201. Box 3.5 on critical raw materials for the green transition has been contributed by the OECD.

Box 3.5 Critical raw materials for the green transition

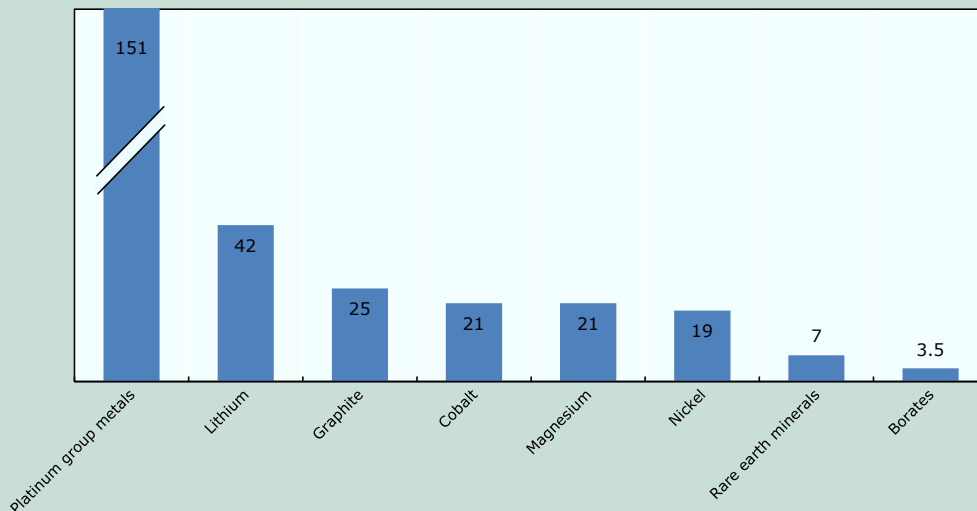
The transition to a climate neutral economy will require a significant scaling up of production and international trade of selected raw materials that will be critical for the production of new technologies. This includes technologies that underpin electric mobility, renewable energy generation and energy storage, such as lithium-ion batteries, permanent magnets for traction motors, wind turbines and photovoltaics, or fuel cells that turn hydrogen directly to electricity. Digitalization and automation, including robotics, 3D printing and information and communication technology (ICT) equipment also rely on critical raw materials and are essential for the green transition, as well as for modern industrial applications generally. However, necessary raw materials often display high market concentration and low substitutability.

While the green transition will reduce global dependence on fossil fuels, it will generate pressure on the production of other raw materials. Production of clean technologies generally requires more minerals than for their fossil fuel counterparts (for example, up to six times more mineral inputs are required for an electric car compared to a conventional one; nine times more for an onshore wind plant compared to a gas-fired one).^a

The International Energy Agency (IEA) estimates that the scaling up of green technologies necessary to meet the Paris Agreement goals would increase the global demand for lithium 42 times between 2020 and 2040, 25 times for graphite, 21 times for cobalt and magnesium, 19 times for nickel, 7 times for rare earth minerals and 3.5 times for borates. The projected changes are even more striking for materials that are currently used in very small quantities in industrial applications, such as platinum group metals (Figure 2).

Figure 2 Projected global demand growth between 2020 and 2040, selected critical raw materials

Index (2020 = 1)



Note: Projections are based on the International Energy Agency's Sustainable Development Scenario, which indicates what would be required for a trajectory consistent with meeting the Paris Agreement goals. Platinum group metals include palladium, platinum, ruthenium, rhodium, osmium, and iridium

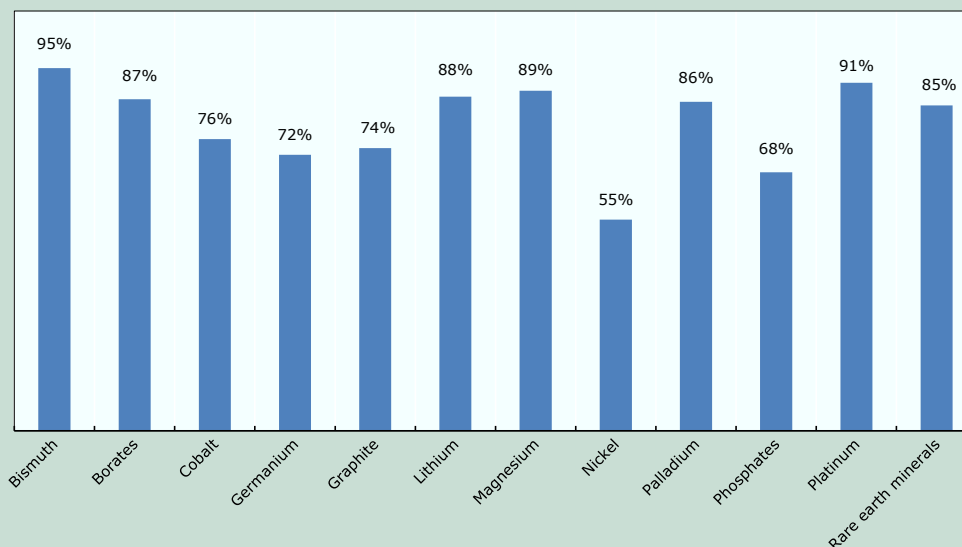
Source: OECD calculations based on IEA data.

The availability of critical raw materials that drive industrial applications, digitalization and the green transition may be limited by a number of factors, including production concentration, economic, political and social constraints in expanding production capacities and pervasive export restrictions.^b Security of supply risks may be deepened by a lack of transparency in mineral supply chains and governance challenges in producing and processing countries. In addition, international investments may impact the political economy of producing countries and can drive systemic risks and lead to major geopolitical destabilization, fuelling local, regional and international conflicts.

The production of some minerals critical to new technologies is more geographically concentrated than that of oil and gas. Therefore, vulnerabilities generated by material reliance in the modern economy may be even more pronounced than in the fossil fuel-powered economy. For instance, 83% of global bismuth production and 82% of global magnesium production is in China, 78% of global lithium production is in Australia, and 71% of global platinum production is in South Africa. Overall, for most critical raw materials more than 80% of global production is concentrated in only three countries (Figure 2). Processing of critical raw materials is also highly concentrated, albeit less than production. Notably, more than three quarters of global exports of lithium, borates and magnesium are concentrated among only three exporters. While 70% of processed borates exports are from the European Union and the United States, processed lithium is mostly exported by Chile and China.

Figure 3 Concentration of global production of critical raw materials

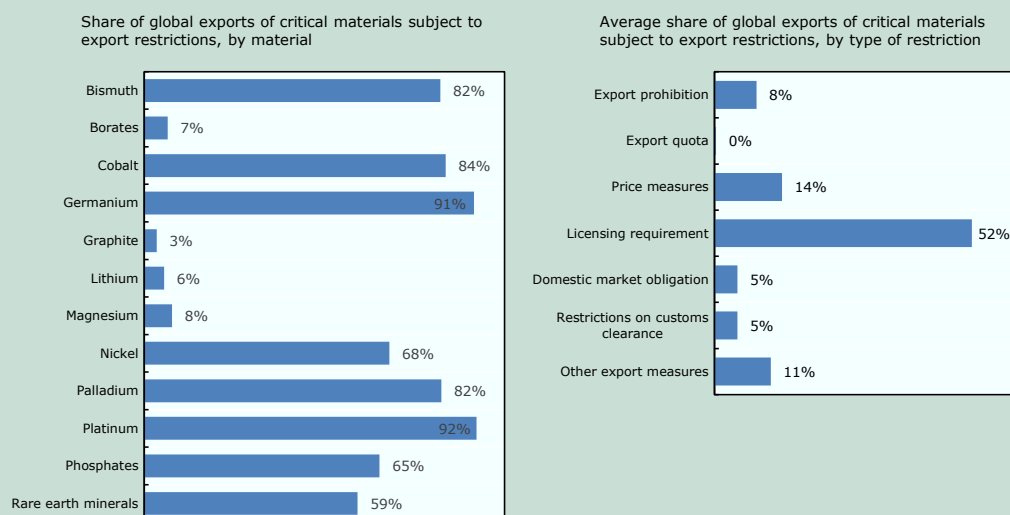
The share of global production concentrated among three largest producers



Note: Data for 2020. Here, for ease of reading, the label Germanium has been used to denote the following group of materials: germanium, niobium, vanadium, gallium, indium and hafnium.

Source: OECD calculations based on United States Geological Survey data.

Since the supply of critical raw materials is highly concentrated, export restrictions are the most widespread trade policy measure applied in these sectors. While they may be introduced for a variety of important policy objectives, such measures can have distortive effects on international markets by reducing global supply and raising prices and creating uncertainty for importers. Platinum, germanium, cobalt, bismuth, and palladium are among the materials that are most affected by export restrictions by volume (Figure 4) and cobalt and nickel sustain the most restrictive measures in the form of outright export prohibitions. Disciplining export restrictions through existing trade policy tools and new commitments at the multilateral, regional or bilateral level can ensure that domestic-oriented policies of some countries are not detrimental to fair access to critical raw materials.

Figure 4 Export restrictions on critical materials

Note: Data for 2020. Here, for ease of reading, the label Germanium has been used to denote the following group of materials: germanium, niobium, vanadium, gallium, indium and hafnium.

Source: OECD calculations based on OECD Inventory of Export Restrictions on Industrial Raw Materials data.

Unexploited reserves of such raw materials provide potential alternatives for diversification. However, there may be several reasons why some reserves have remained untapped, notably environmental implications,

social concerns and economic viability. International investments will need to flow into existing and new producing countries in line with international standards on responsible business conduct. Longer-term approaches to recycling, secondary raw materials and the circular economy also have the potential to mitigate supply concentration.

a IEA (2021), *The Role of Critical Minerals in Clean Energy Transitions*, International Energy Agency, Paris.

b See, OECD Inventory of Export Restrictions on Industrial Raw Materials, available at: https://qdd.oecd.org/subject.aspx?Subject=ExportRestrictions_IndustrialRawMaterials.

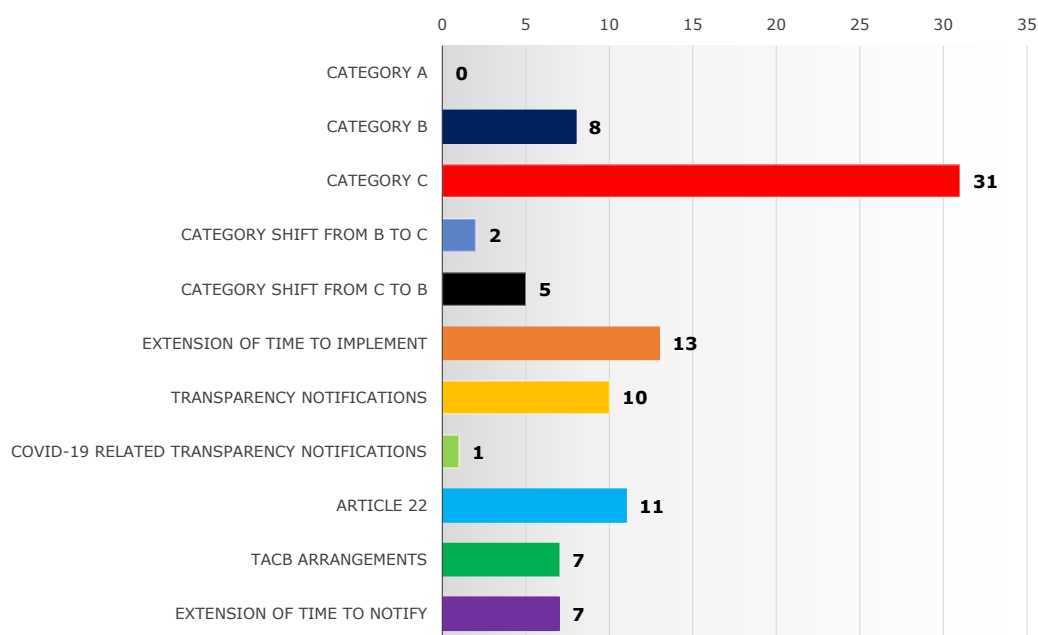
Source: OECD.

Trade facilitation

3.202. The Trade Facilitation Agreement (TFA) entered into force on 22 February 2017, when two thirds of WTO Members presented their corresponding instruments of acceptance. At the conclusion of the review period, 155 Members had domestically ratified the TFA and deposited their instruments of acceptance to the WTO, which represents 94.5% of the WTO membership.

3.203. During the review period, Members submitted notifications with their commitments under Section II of the TFA (Chart 3.21). These included implementation notifications by 18 LDCs.

Chart 3.21 Number of WTO Members that presented TFA notifications, 1 October 2021 to 3 October 2022



Source: <https://www.tfadatabase.org>.

3.204. In the reporting period, the WTO's Trade Facilitation Agreement Facility (the Facility, or TFAF) ended the moratorium (imposed in October 2020) on the delivery of its technical assistance activities. This was enabled by the introduction of new transparency measures to support Members' visibility of technical assistance requests in October 2021. The new approach was formalised in March 2022 by the adoption in the WTO Committee on Trade Facilitation of a new governance framework, establishing, *inter alia*, the relationship between the Committee and the Facility.¹²⁸ Since technical assistance activities restarted, 11 activities were requested by LDC Members to prepare for the notification deadline for Category C definitive dates on 11 August 2022. Four Members and two regional groupings have requested activities under the new governance arrangements described

¹²⁸ WTO document [G/TFA/3](#), 5 April 2022.

above. In the same period the TFAF has administered three project preparation grant and launched applications for two more.

Trade finance

3.205. While the financial system overall has been resilient in the current multi-crisis environment (environment, public health, food and energy security), the cost of trade finance has been affected by increasingly complex logistics for trade in certain areas of the world, and by inflation, which have increased the value of exported and imported goods to be financed. For balance-of-payments' constrained countries, the increase in the value of imports, particularly of food, has been stretching the capacity of local financial sectors to provide higher levels of trade finance.

3.206. Against this background, multilateral development banks (MDBs) have continued to face an excess demand for trade finance facilitation (guaranteeing the payment risk) in low-income countries, particularly in countries which have not seen their sovereign credit rating improve, countries experiencing high and/or growing macroeconomic vulnerabilities, and net food-importing poor countries in the face of increasing food and energy bills. Certain MDBs have put in place special working capital and trade finance windows to address challenges related to food imports. While financial sanctions related to the Russian invasion of Ukraine have, to a large extent, excluded trade in food products, practical difficulties in processing payments of suppliers, as a result of cautious financial operators, have been reported to affect commercial clients as well as the World Food Program. This caution has resulted in higher costs associated with processing transactions, including verification, compliance, and adaptation costs to changing trade logistics.

Trade and gender

3.207. In the last decades, governments have included gender issues in their national trade policies, making them more inclusive.¹²⁹ While many trade policies support women's access to the economy and foster their participation in the export-oriented sector through various means including financial incentives to the private sector, most focus on women entrepreneurs and female farmers. They include measures to support their access to international markets and in developing trade capacity. These programmes often provide business, trade, and financial literacy trainings.

3.208. Policies targeting women entrepreneurs mostly aim at giving them facilitated access to finance and to government procurement markets. Access to finance can take the form of a dedicated "women fund" to provide affordable and responsive finance or of a facilitated access to credit through subsidised financing or credit guarantees. Governments also give a special access to their public markets by establishing quotas in favour of women entrepreneurs, mostly targeting small business owners or rural women.

3.209. Those trade policies targeting female farmers mostly focus on capacity building programmes to help them comply with sanitary and phyto-sanitary (SPS) measures, in order to export to regional and international markets. Some also look at giving rural women access to finance, and productive resources. Both groups also benefit from e-commerce policies and strategies. According to the WTO regional surveys 2019-2020 41% of women entrepreneurs expressed difficulties in accessing e-commerce opportunities.¹³⁰ Trade policies tend to facilitate access to such platforms by providing them with assistance to create a website to sell products internationally and by building female entrepreneurs general capacity to e-trade.

3.210. Similarly, gender issues have been increasingly integrated into free trade agreements. In the last 25 years, governments have included gender provisions in their RTAs. Out of 353 RTAs in force and notified to the WTO, 101 include at least one explicit reference to gender issues.¹³¹ The

¹²⁹ See "Trade Policies Supporting Women's Economic Empowerment: Trends in WTO Members", Staff Working paper ERSD-2019-07 (*WTO Economic Research and Statistics Division*, 25 April 2019) https://www.wto.org/english/res_e/reser_e/ersd201907_e.pdf.

¹³⁰ WTO survey, 'Assessing Women Entrepreneurs' Knowledge Gap on Trade in East Africa, South Asia, and Latin America', forthcoming, 2019-2020.

¹³¹ See Trade and Gender-Related Provisions in Regional Trade Agreement INF/TGE/COM/4, 22 September 2022. Also see Laperle-Forget, L., WTO Database on gender provisions in regional trade agreements, World Trade Organization, https://www.wto.org/english/tratop_e/womenandtrade_e/gender_responsive_trade_agreement_db_e.htm.

first gender provision was included in the Treaty of Rome, in 1957 and in 1983, the second provision was adopted in the Treaty for the Establishment of the Economic Community of Central African States (ECCAS Treaty). A decade later, the first chapter on trade and gender was integrated in the Common Market for Eastern and Southern Africa (COMESA).

3.211. While these provisions focus on a wide range of gender issues from economic empowerment through women's participation in the workforce and in business, to access to health, education, or food security, they are often included in the cooperation chapters. Most of gender provisions are not systematically excluded from the dispute settlement process of RTAs.

3.212. Box 3.6 provides a closer look at trade and gender activities in the context of the WTO Chairs Programme.

Box 3.6 The WTO Chairs Programme: trade and gender activities

The WTO Chairs Programme has supported various research and training initiatives on how to mainstream gender into trade policy and support the empowerment of women. Indeed, several research and training projects were focused on trade and gender and were particularly relevant considering the Interim Report establishing the Informal Working Group on Trade and Gender in September 2020^a and the MC12 outcome document^b, which recognizes the importance of women's economic empowerment and the work of the WTO on this issue, at the multilateral level.

The Chairs in Mexico, Barbados, and Chile conducted a series of seminars with the involvement of each of their Permanent Representatives to the WTO as well as Ministers and negotiators working in the governments of Mexico and Chile and the CARICOM Secretariat. The project also included a course that was taught by experts in the field and senior experts from various international organizations such as UNCTAD and the World Bank.

The Chairs in Jordan and Türkiye, respectively, also conducted research and outreach on "Trade and Gender Gap (equality) in Jordan" and on "Inclusive Trade in Türkiye: Legal and Economic Perspectives on Gender and Employment".

Many of those projects were carried out in close coordination with the WTO's Trade and Gender Unit, which provided substantive contributions to the projects including various contributions to book chapters, participation in webinar series, and using the WTO Gender Research Hub network to disseminate the calls, invitations, and exposure for all project-related outputs.

In addition, many Chairs have been invited to join the WTO's Gender Research Hub, which provides a forum to collaborate with other trade and gender experts on various research and capacity-building projects. As an illustration, the co-chair from Mexico is currently advising the UNECA, sharing the Latin America experience with African countries. Specific research analysed the effects of COVID-19 on Mauritian MSMEs and also investigated the factors that prevent Mauritian women micro-entrepreneurs from shifting to digital trade and aim to empower MSMEs with the capacity to adopt e-commerce practices and expand their market base and visibility in the online trading environment.

Below are a few specific examples of recent trade and gender research activities.

Mauritius: Harnessing digital trade to curb COVID-19 impacts on MSMEs

The research differentiates the impact of the pandemic on male- and female-headed enterprises. It then probes into the factors preventing women MSMEs from moving into the digital environment. The authors used the data to assess the impact of the pandemic on women entrepreneurs, the challenges they face and the constraints they encounter when attempting to adopt digital trade/e-commerce. It also compares the impact of COVID-19 on overall performance of female- and male-led enterprises. It found that the second lockdown seems to have had a higher and more drastic negative effect on women entrepreneurs, with around 33.5% facing a severe contraction in their overall performance. For male-headed MSMEs, the first lockdown had a more severe impact on their activities, with around 41% facing a severe contraction in performance.

Mexico, Barbados, and Chile: Gender and trade in the Americas

The three Chairs collaborated to work on this project with the aim of producing four different outputs: a course and a webinar series on trade and gender in the Americas, an edited book on trade and gender, and a special journal issue on the same topic. This collaboration enabled the Chairs to deliver outputs with high quality standards in such a span of time.

Jordan: Trade and the gender gap (equality)

The project developed by the Chair of Jordan analyses whether a more open trade policy helps bridge the gender gap in Jordan, what the key determinants of female participation in the labour force are, and what the best policy practices to maximize the benefits gained by women from trade are. It also examines RTAs and their provisions on female participation in the labour force, drawing on research methodologies developed by UNCTAD, which developed studies at the country level on the impact of trade policies on women as consumers and producers and on other dimensions of their lives.

Türkiye: Legal and economic perspectives on gender and employment

The overarching aim of this research project is to reflect upon the discussions on women and trade that take place within the larger WTO context and draw conclusions on how to better achieve inclusiveness in trade. Particularly, it examines the relationship between international trade and gender equality at the firm level in Türkiye and provides a new approach to analysing gender equality in firms by bringing together economic and international legal frameworks; at the same time, it will contribute to gender equality in trade and employment policies at the national level, along with influencing firms' decision-making.

a WTO document WT/L1095/Rev.1, 25 September 2020.

b WTO document WT/MIN(22)/24; WT/L/1135, 22 June 2022, para. 13.

Source: WTO Secretariat.

3.213. Box 3.7 provides information on the WTO Secretariat Survey about measures on COVID-19 related-goods.

Box 3.7 Experience-sharing on trade in COVID-19 related goods – WTO Secretariat Survey

The Committee on Market Access (CMA) engaged throughout 2022 in a series of experience-sharing sessions on trade in COVID-19-related goods, covering the following topics: identification and tariff classification of essential medical goods; how to measure trade in these goods; trade easing measures and export restrictions.^a These sessions aimed at sharing experience among Members on these topics, and identifying lessons learned and common practices that could help them better prepare for future health emergencies or other challenges.

To complement information shared during the first two sessions, the Secretariat conducted a survey with a view to collect and compile information by Members on trade in COVID-19 essential goods. The survey was divided into four sections:

1) **List of COVID-19 essential goods:** This section asked Members for information on the establishment of national lists for COVID-19 essential goods, including their purpose, references used to identify relevant products (e.g. the [WCO-WTO Joint Indicative List of Critical COVID-19 Vaccine Inputs](#)), government agencies involved, and other information regarding the modification, publication, and official communication of such lists to the WTO.

- Out of the 15 Members^b that responded the CMA survey, 12 indicated they had established national lists for COVID-19 essential goods, and 11 had published these lists on their websites. Six Members submitted their lists to the WTO for transparency.^c
- Respondents also indicated that they had used reference lists, such as those prepared by international organizations (such as the WTO, the WHO and the WCO) for establishing their own national lists of COVID-19 essential goods, as well as other internal sources of information, including from the private sector.
- The purpose for establishing national lists of COVID-19 essential goods included reasons such as facilitating imports, temporarily restricting exports, and collecting statistical data, among others.
- Seven respondents indicated that the list of COVID-19 essential goods had been updated as the pandemic evolved, for example to modify or expand the product coverage, clarify their tariff classification or because trade policy measures targeting specific products were either extended or terminated.

2) **Classification of COVID-19 essential goods:** This section asked Members to identify the types of products contained in the national lists, and how detailed the classification of such products had been at the national level (e.g. addition of national tariff lines or specific statistical codes). The types of products generally contained in the list of essential goods mainly included personal protective equipment, vaccines, disinfectants, sanitizers and soap, pharmaceuticals and medical consumables. In 10 cases, the lists specified customs codes for the products at either the national tariff line level (i.e. beyond the standard classification based on the Harmonized System) and/or statistical codes (i.e. codes beyond the national tariff line level that enable customs to differentiate imports or exports).

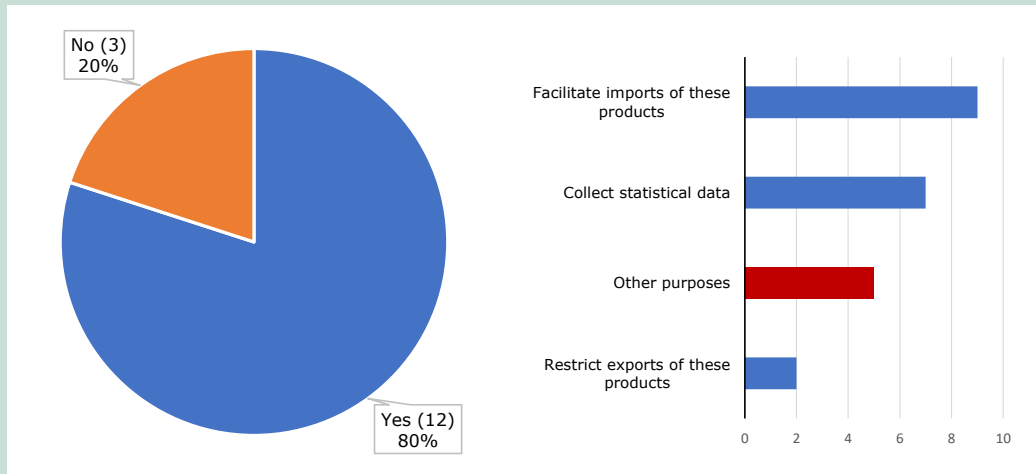
3) **Data collection for COVID-19 essential goods:** Here, Members were asked how they collected trade statistics for COVID-19 essential goods, including questions on specific measures introduced to improve trade statistics, their publication, and use. Six Members indicated that they had introduced measures for strengthening their IT systems and amending customs nomenclature to improve collection of trade statistics on COVID-19 essential goods.

4) **International cooperation on data-sharing:** In the last section, the survey asked Members to provide their views on the importance of more effective data collection and sharing at the international level for improving the response of WTO Members to emerging challenges. In particular, Members were asked to indicate how important the following would be:

- The establishment of data-sharing mechanism among Members;
- The compilation of a common model list of essential goods for health emergencies at the international level;
- The creation of data repositories to pool trade statistics of COVID-19 essential goods; and
- The submission by Members, on a voluntary basis, of temporary tariff changes and more detailed national statistics on COVID-19 essential goods to the WTO IDB.

All the respondents believed that the above suggested measures were important for improving international cooperation on data-sharing.

Figure 5 Responding Members and purpose of the list(s) of COVID-19 essential goods



Notwithstanding the limited number of responses received from the Members, the survey was useful in understanding and identifying commonalities in Members' responses, complementing the information gathered from earlier experience-sharing sessions and establishing a framework for future work in the area.

- The Secretariat prepared summary reports of each session, which were circulated in WTO document JOB/MA/152 and its addenda.
- Counting the EU-27 as one.
- WTO documents [G/TFA/N/IDN/2/Rev.1](#), [G/MA/OR/N/MYS/1/Add.1](#), [G/MA/OR/N/PRY/1](#), [G/MA/W/153](#), [G/MA/W/154](#), and [G/MA/W/175](#).

Source: WTO Secretariat.

4 POLICY DEVELOPMENT IN TRADE IN SERVICES

Regular measures affecting trade in services

4.1. During the review period, Members and Observers implemented 174 new measures affecting trade in services. Although, the majority of the measures introduced were of a trade-facilitating nature, there were still a significant number of trade-restrictive measures. A third of the new measures concerned telecommunication, computer and Internet- and other network- enabled services (including a significant number of tax measures), and a quarter were on financial services. The remaining measures were mostly horizontal measures, affecting either the establishment of commercial presence or the presence of natural persons (19 and 22 measures respectively). Annex 4 in the Addendum provides additional information on the 174 new measures, implemented by 70 WTO Members and 5 Observers during the review period.

Measures affecting supply through commercial presence across various sectors

4.2. During the review period, several governments made changes to their investment policies, with implications to the supply of services through commercial presence (mode 3) across various sectors. For example, on 2 March 2022, the Philippines made changes to the Foreign Investments Act, allowing foreign investors to fully own small and medium-sized businesses, except in sectors where foreign ownership is prohibited or limited by the Philippine Constitution or existing laws. The minimum paid-in equity capital threshold of USD 200,000 to medium-sized enterprise is removed. The act also permits the reduction of the minimum capital requirement to USD 100,000 for foreign investors under the condition that at least 15 local workers are hired, that they transfer technology, or are endorsed as a start-up or start-up enabler. In addition, an amendment to the Public Services Act, allows full foreign ownership in firms supplying telecommunication, logistics, railways or domestic shipping services (previously limited to 40%).

4.3. On 30 May 2022, Nepal reduced the minimum threshold for foreign direct investment from Rs 50 million to Rs 20 million. Uzbekistan (Observer) adopted measures reducing, *inter alia*, the state's participation in banking, telecommunication, road transport and IT services. Some Members and one Observer also introduced new measures to facilitate foreign investment (e.g. Algeria, Mongolia, Sri Lanka, Tunisia).

4.4. Revised or new procedures pertaining to foreign investment screening were adopted by several Members. For instance, on 19 November 2021, Moldova adopted a new measure regulating the screening of investment in a number of sectors. Approval from the Council for Promotion of Investment Projects of National Importance is required before any investment is made in relevant sectors, which include transportation, exploitation of artificial intelligence, cybersecurity, air traffic services, television broadcasts, audio-visual services, supply of networks and fixed or mobile electronic communication services and supply of services in national ports. A number of EU Members, such as Italy, Netherlands or Romania, also introduced new legislation relating to foreign investment screening mechanisms, in particular for national security purposes.

Measures related to communication services, e-commerce and digitally enabled services

4.5. Fifty Members adopted new measures in relation to the communications sector, Internet- and other network-enabled services, or computer services. For example, in China, the government issued New Measures for Cybersecurity Review, effective since 15 February 2022, amending the measures released on 10 July 2021. A cybersecurity review will be conducted for Critical Information Infrastructure (CII) operators that purchase network products and services which affect or may affect national security, as well as network platform operators that conduct data processing activity which affects or may affect national security or that hold personal information of more than one million users and plan to list their shares overseas. Also, a new measure setting out the security assessment framework for cross-border data transfers, became effective on 1 September 2022. A business carrying out cross-border transfers of personal information of China-based subjects is required to meet at least one of the following conditions: have an official security assessment conducted by the Cyberspace Affairs Commission (CAC); obtain a personal information protection certification from a recognised organization; or execute a contract with the data recipient, in a form prescribed by the CAC.

4.6. A number of Members introduced measures regulating cross-border data flows. For example, the Kingdom of Saudi Arabia issued a new law requesting that foreign companies that process personal data of Saudi residents appoint a local representative, licensed for that purpose. Transfers of data outside of the Kingdom of Saudi Arabia may be made for limited purposes specified in the law, or for "other purposes" to be set out in forthcoming regulations. Approval by the authorities must always be obtained to transfer personal data abroad. Rwanda adopted a new law on data protection, effective 15 October 2021, which sets out requirements for controllers and processors in the jurisdiction as well as, for those without local presence if they process personal data of individuals located in the country. It establishes conditions on cross-border transfer and storage of data abroad. Those without a local presence have to designate a representative in Rwanda.

4.7. Given their significant impact on the internal market and their role as gateway for business users to reach their end user, the European Union introduced on 5 July 2022 the Digital Markets Act which includes rules for digital platforms that act as "gatekeepers" (i.e., core platform services, such as social platforms or search engines, that have a market capitalisation of at least EUR 75 billion or an annual turnover of EUR 7.5 billion, and have at least 45 million monthly end users in the EU and 10,000 annual business users). The act aims at preventing gatekeepers from imposing unfair conditions on businesses and end users, and at ensuring the openness of important digital services. For instance, gatekeepers will be restricted from imposing the use of their payment services platforms. They will also be required to provide access to price-setting conditions and algorithms to third-party advertisers and publishers.

4.8. Some Members introduced new legislation enabling the establishment of taxes on e-commerce transactions. For example, in Cambodia, as of 1 April 2022, a 10% VAT is applicable to all non-resident firms selling to Cambodia through business to consumer e-commerce. For business-to-business e-commerce, a Cambodia registered buyer is required to pay 10% VAT through a reverse charge mechanism, regardless of whether the non-resident supplier is VAT registered. Nigeria requires, from 1 January 2022, digital services suppliers to register and collect a 7.5% VAT from their Nigerian customers. In addition, a 6% tax on the turnover of non-resident companies providing certain digital services to Nigerian consumers will be levied. Nepal adopted a new digital services tax of 2% on services provided over the Internet to Nepali consumers by non-resident persons. Electronic services such as gaming, video, music and app downloads, streaming services, cloud services and other services are taxable if the annual turnover exceeds NPR 2 million. Tanzania's new Finance Act introduced a 2% tax on electronic services rendered by non-residents to residents.

4.9. A number of Members introduced measures which facilitate the supply of telecommunication services. In Israel, starting 2 October 2022, most suppliers will only be required to register their services in a designated registry and will be subject to conditions set under a "general authorization" regime instead of individual service-specific licenses. In Uruguay, the quantitative limit on the number of cable operators allowed to offer broadband Internet services was gradually lifted during the review period. In India, a new measure allows full foreign ownership under the automatic route in the telecommunication services sector, instead of a maximum of 49% foreign ownership in the past. However, an entity from a country that shares a land border with India, or where the beneficial owner of an investment into India is from such country, can still only invest under the government route.

4.10. Several governments adopted new measures affecting the supply of audio-visual services. For example, in Switzerland, a new measure adopted on 15 May 2022 requires that from 1 January 2024 European- or Swiss-produced content represent at least 30% of offerings of streaming services in the country. It also proposes that platforms invest up to 4% of their revenue from Switzerland in Swiss films and series over a 4-year cycle (also applicable to foreign television channels with broadcast advertising aimed at a Swiss public). Viet Nam approved a new Cinema Law, effective on 1 January 2023, which stipulates that foreigners producing movies in Viet Nam should use services provided by Vietnamese cinema establishments. The new law, which also applies to films accessed online, lists the prohibited content featured in films which cannot be disseminated in Viet Nam.

Financial services

4.11. In the insurance services sector, Ukraine adopted on 18 November 2021 a new law which redesigns and modernizes the insurance framework, in line with EU Directive 2009/138/EC and the Insurance Core Principles of the International Association of Insurance Supervisors. The new law authorizes cross-border supply of certain insurance services (e.g. aircraft or vessel insurance, freight

and all reinsurance). Also, all classes of insurance and reinsurance can now be supplied by either subsidiaries or branches of foreign insurers, but the conditions on branching have been revised, providing in particular for a reduction of minimal solvency capital requirements for a branch offering life insurance from EUR 10 million to approximately EUR 1.5 million. The new law will be effective on 1 January 2024. In China, a notice was issued that removes access conditions for overseas insurance brokerage companies to set up insurance brokerage companies and allows foreign insurance groups to set up insurance professional intermediaries. Also, a new measure removed the 25% cap on foreign shareholding in insurance asset management companies.

4.12. Many policy changes occurred in banking and other financial services. For example, Mauritius adopted a new act, effective on 7 February 2022, which requires, inter alia, that virtual assets services provider have a commercial presence in the country to conduct such business. In Nepal, from 16 March 2022, only foreign banks or financial institutions with an "investment grade" rating can operate a branch office, subject to approval. Branches are only allowed to engage in wholesale banking transactions related to deposit-taking, loans, credit, and certain other financial services. In addition, the new policy prohibits overseas institutions' representative offices from any kind of banking transactions in Nepal. Representative offices can only engage in liaising with the Nepali customers, research activities, providing information on products and services, promoting services, and liaising between the foreign bank's clients and other offices. On 2 July 2022, the Central Bank of Somalia (Observer), granted for the first time two licences to foreign banks.

4.13. In Kenya, the Finance Act, which was assented by the President on 21 June 2022, requires that for a non-resident institution entering into a financial derivatives contract with a resident person, any gain shall be subject to withholding tax at a 15% rate.

Transport services

4.14. A number of Members adopted new measures in the transport services sector. From 10 January 2022 Brazil relaxed cabotage rules in the maritime transport services sector. Brazilian Navigation Companies are now allowed to bareboat charter foreign vessels for cabotage transport without the need for proof of tonnage. Initially, chartering will be limited to one vessel. After a 4-year transition period, such chartering will be unlimited. Authorisation will not be required for chartering of foreign vessels when replacing other vessels undergoing restoration. For time charter of foreign vessels, the number of movements will be unlimited. For vessels flying the Brazilian flag, the Cabotage Act maintains the requirement that at least two-thirds of crew members, including the vessel's captain and chief engineer, must be Brazilian nationals.

4.15. Costa Rica enacted a new regulation for granting licenses for nautical charter, effective from 5 August 2022, obliging vessels with foreign flags to obtain a license to provide charter services for leisure and entertainment purposes in Costa Rican waters. Foreign flag vessels must pay 2,5% of the gross income for each service provided. Furthermore, captain and crew members for nautical charter services can apply for the special category of nautical charter workers, if their stay does not entail activities remunerated in the national territory. In Indonesia, a new regulation clarified in November 2021 the activities allowed to foreign vessels when operating in Indonesian waters: salvage and underwater works; offshore construction; oil and gas survey; drilling; dredging; terminal construction; and offshore operational support.

Other services sectors

4.16. Trade in other services sectors was affected by the introduction of some new measures during the review period. On 2 June 2022, Argentina adopted a new tax regime for online gambling, introducing an indirect tax ranging from 2.5% for operators domiciled in the country to 15% for foreign operators not registered in the country. From 21 January 2022, Philippines eased the entry rules for foreign retailers by lowering the paid-up capital requirement, as well as removing certain prequalification requirements (e.g. USD 200 million net worth requirement, minimum 5 branches, and 5-year retail track record). The prequalification process with the Board of Investment was also removed, allowing foreign enterprises to proceed directly to the Securities and Exchange Commission or Department of Trade and Industry (DTI). However, the reciprocity requirement in the country of origin of the supplier is maintained.

4.17. In the area of health-related services, several measures were introduced during the review period. For example, in Brazil, the Federal Council of Pharmacy published a resolution aimed at regulating activities in the telepharmacy sector (covering teleconsultation, tele inter-consultation, teleconsulting and telemonitoring). Companies that are platforms for or provide telepharmacy must have a representation established in Brazil, be registered in the Regional Council of Pharmacy and have a technical representative. Also, the Brazilian Federal Council of Medicine (CFM) approved a new regulation establishing rules for the practice of telemedicine, which is only allowed for service providers established or located in the national territory.

Measures affecting supply through the movement of natural persons

4.18. Various Members introduced many trade-facilitating measures affecting the supply of services through the movement of natural persons. For example, in Hong-Kong, China, foreigners who are in possession of an "Invitation Letter", issued by authorised organisations, are authorized to participate in the specified short-term activities in ten designated sectors, for up to 14 consecutive calendar days without having to obtain employment visas / entry permits. In Estonia the government introduced a short-term work permit exempted from the immigration quota requirements. Individuals who previously had worked on a short-term work permit for a period of nine months with the same employer in the country can now receive this short-term permit for a maximum period of two years.

4.19. In Israel, authorities amended the existing procedure concerning Short-Term Employment Authorization (SEA) B-1 Work Visa, increasing the duration of stay from 45 days to up to 90 days in a calendar year (applicable to citizens of countries who have visa agreements with Israel). New Zealand introduced a new temporary work visa (Accredited Employer Work Visa) that simplifies the visa application process and streamlines labour market tests for higher-paid jobs.

4.20. Since 22 August 2022, the United Kingdom launched a new visa category called the "scale-up visa" for high-growth businesses. Professionals can apply for the scale-up visa if they have sponsorship for six months from an eligible fast-growing business in the country. This visa can initially be granted for a period of two years with an option to further extend it for three years, depending on the salary received by the professional. In addition, only graduate level, and professionals above graduate level, such as intra-corporate transferees with a minimum salary of £33,000 per year, can apply. Bahrain introduced on 3 September 2022 a multi-entry e-visa for training purposes. The new temporary e-visa is available to foreigners for conducting or undergoing occupation-based training, for a period of six months with a possibility of further extension for the same duration. Chile introduced a new consular short-term authorisation allowing business travellers multiple entries for up to 90 days per year for a 10-year period.

4.21. Some Members also introduced visas permitting natural persons to relocate and work remotely. These types of measures, initially implemented as a response to the COVID-19 pandemic, have been more widely implemented during the review period (Box 4.1).

Box 4.1 Remote working visas

First introduced in many Members in response to the COVID-19 pandemic, "remote working visas" are now being adopted more widely. Also known as "digital nomad visas" or "virtual working permits", they provide foreigners with a temporary stay permit that allows them to work remotely. Eligibility for remote working visas is usually limited to full-time, skilled and highly paid employees of foreign companies as well as independent professionals meeting similar requirements. These individuals' family members are generally also granted resident permits. The permit holders and their dependants are not permitted to be employed, or to provide services, in the destination country.

Members having instituted such visas over the reporting period include Brazil, Greece, Hungary, Italy, Romania and Sri Lanka.

Source: WTO Secretariat.

COVID-19-related measures affecting trade in services¹

4.22. Since the outbreak of the pandemic, the Secretariat recorded information on 157 COVID-19-related measures affecting trade in services introduced by Members and Observers. Only four new such measures were reported since mid-October 2021² and 6 were reported as terminated, of which one, partially.³ Thus, the number of new COVID-19 trade in services-related measures has decreased significantly during the review period.

4.23. Many measures that were introduced in 2020 were still in force at the time of writing of this Report, with some being extended, such as France (extension of temporary FDI screening threshold by one year, until the end of 2022) and New Zealand (maintaining the international air connectivity scheme until 31 March 2023). The United Kingdom reintroduced the temporary relaxation of the enforcement of some aspects of the drivers' hours rules from 9 April to 8 May 2022. Australia expanded an existing measure. From 16 March 2022, persons working in critical sectors⁴, who have their substantive temporary visa expiring, can apply for a temporary activity visa and therefore extend their stay.⁵ Poland extended the screening mechanism for foreign investments until 24 July 2025.

4.24. The full list of measures compiled since the beginning of the COVID-19 pandemic is available on the WTO website.⁶

Development in the context of the war in Ukraine⁷

4.25. Some 134 trade in services and trade in services-related sanctions were taken by 43 WTO Members in the context of the war in Ukraine during the review period. Approximately 25% of these

¹ The information in this Section was compiled by the WTO Secretariat and is an informal situation report and an attempt to provide transparency with respect to measures affecting trade in services taken in the context of the COVID-19 crisis. It does not pass judgment on or question the right of WTO Members to take such actions. The Secretariat has not sought to determine or indicate whether such measures have trade-restrictive or trade-facilitating effects. The information is not exhaustive and does not include information on general support measures relating to services. Further, the objective is not to list all COVID-19-related measures taken by governments around the world to limit movement, nor all the measures taken to ease the impact of border restrictions or other limits on movement.

² Philippines introduced two series of measures affecting banking and other financial services, Slovenia adopted a series of measures affecting the supply of health services and in China a notice was issued on 20 May 2022 stating that the effective implementation of more measures for opening up in the capital market shall be continuously promoted, and the demands and concerns of foreign investors shall be understood and responded to in a timely manner so as to ensure that support policies are equally applicable to foreign-funded institutions.

³ Estonia terminated the financial services measure concerning the systemic risk buffer on 5 December 2021. Bulgaria ended the deferral and settlement of repayments to banks and other financial institutions on 31 December 2021. In the context of the package of measures aimed at preserving the stability of the banking system and strengthening its flexibility, the Bulgarian National Bank discontinued the measure on the limit of banks' foreign exposures as of 1 April 2022. It also now requires that banks intending to distribute dividends, buy back shares or implement other distributions, including from the 2021 profit, to present distribution plans, which will be subject to review. In the Czech Republic, the countercyclical capital buffer rate is no longer set as part of the covid-19 measures. Switzerland terminated on 26 January 2022 the measure requesting that the countercyclical capital buffer be reduced. Costa Rica repealed temporary COVID-19 migration measures in the process of reopening borders. Netherlands terminated the lowering of the systemic buffer requirements for the three largest Dutch banks, and countercyclical capital buffer (CCyB).

⁴ Agriculture and food processing; health, aged and disability care; childcare, to which were added in the expanded provisions some tourism and related services and transport services.

⁵ The length of stay will be granted for 12 months for Commonwealth Aged Care sector and key sectors (aged care, agriculture, childcare, disability care, food processing, health care and tourism and hospitality) and 6 months for any other sector. See Migration (LIN 22/046: COVID-19 Pandemic event for Subclass 408 (Temporary Activity) visa and visa application charge for Temporary Activity (Class GG) visa) Instrument 2022; available at <https://www.legislation.gov.au/Details/F2022L00316>.

⁶ Viewed at: https://www.wto.org/english/tratop_e/covid19_e/trade_related_services_measure_e.htm.

⁷ The information in this Section was compiled by the WTO Secretariat and is an informal situation report and an attempt to provide a summary with respect to measures affecting trade in services taken in the context of the conflict (whether on the supply of services in the Member or by the Member). It does not pass judgment on or question the right of WTO Members to take such actions. The Secretariat has not sought to determine or indicate whether the measures have trade-restrictive or trade-facilitating effects. The information is not exhaustive and does not include information on general support measures relating to services. The compilation excludes measures only aimed at designated persons and entities.

sanctions concern transport services (air, road or maritime), including various aviation prohibitions as well as restrictions on docking in ports. A third of the sanctions concern financial services and certain professional services, such as for example, the prohibition to provide credit rating services. Other sanctions include investment screening measures, as well as outward investment and visa restrictions. In response, the Russian Federation has adopted some countermeasures which mostly concern investment and visa restrictions. A few countermeasures also concern financial and air transport services. The Secretariat will continue to monitor developments on measures affecting trade in services taken in response to the crisis.

Air services agreements

4.26. Table 4.1 presents information on air services agreements (ASAs) concluded or amended during the period under review. These include both new ASAs and revisions of existing ones. As far as can be assessed from available sources, these ASAs provides for improved access conditions than was previously the case. The air transport sector has been under severe strain because of the COVID-19 pandemic, and this may explain the fall in the number of ASAs concluded during the reporting period.

Table 4.1 Air Transport Agreements⁸ concluded or amended between October 2021 and October 2022

Parties		Date of signature	Source
European Union	Ukraine	12.10.2021	Air Transport News (atn.aero)
European Union	Qatar	18.10.2021	Air Transport News (atn.aero)
Brazil	Bahrain	10.2021	Brazil enacts air services agreement with Bahrain MENAFN.COM
Tanzania	Belgium	05.11.2021	https://allafrica.com/stories/202111050092.html
Armenia	European Union	15.11.2021	Armenia, EU to sign Common Aviation Area Agreement – Public Radio of Armenia (armradio.am)
Dominican Republic	United Arab Emirates	22.11.2021	Dominican Republic's air services agreement with Dubai will boost tourism (dominantoday.com)
Oman	European Union	1.12.2021	Oman, EU ink Comprehensive Air Transport agreement - Times of Oman
Iceland	Ukraine	3.12.2021	Air Services Agreement Signed With Ukraine (icelandreview.com)
Colombia	Guyana	8.12.2021	Guyana signs Air Services Agreement with Colombia – News Room Guyana
Guyana	Netherlands	8.12.2021	Greater travel between Guyana, Netherlands possible as agreement inked – News Room Guyana
Belize	Kenya	9.12.2021	Belize signs 13th air service agreement at ICAN 2021 in Colombia (breakingbelizenews.com)
Belize	Oman	9.12.2021	Belize signs 13th air service agreement at ICAN 2021 in Colombia (breakingbelizenews.com)
Belize	Latvia	9.12.2021	Belize signs 13th air service agreement at ICAN 2021 in Colombia (breakingbelizenews.com)
Belize	Argentina	9.12.2021	Belize signs 13th air service agreement at ICAN 2021 in Colombia (breakingbelizenews.com)

⁸ The term "air transport 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
Belize	Chile	9.12.2021	Belize signs 13th air service agreement at ICAN 2021 in Colombia (breakingbelizenews.com)
Belize	Rwanda	9.12.2021	Belize signs 13th air service agreement at ICAN 2021 in Colombia (breakingbelizenews.com)
Belize	Switzerland	9.12.2021	Belize signs 13th air service agreement at ICAN 2021 in Colombia (breakingbelizenews.com)
Belize	Colombia	9.12.2021	Belize signs 13th air service agreement at ICAN 2021 in Colombia (breakingbelizenews.com)
United States	Ecuador	10.12.2021	US And Ecuador Finalize Open Skies Agreement - Simple Flying
Colombia	UAE	10.12.2021	Emirates And Etihad Set To Fly To Colombia - Simple Flying
Qatar	Jordan	15.03.2022	Qatar, Jordan sign air services agreement (trade Arabia.com)
Philippines	Morocco	18.03.2022	PH, Morocco revitalize ties; ink air services deal, 2 others Philippine News Agency (pna.gov.ph)
Antigua and Barbuda	France	15.04.2022	Antigua and Barbuda Sign Air Service Agreement with France - The St Kitts Nevis Observer
Rwanda	Cuba	25.04.2022	https://www.newtimes.co.rw/news/rwanda-cuba-sign-air-service-agreement
Guyana	Saudi Arabia, Kingdom of	09.05.2022	Guyana & Saudi Arabia sign air service agreement Loop Caribbean News (loopnews.com)
Qatar	Eswatini	16.05.2022	Qatar, Eswatini Sign Air Services Pact MENAFN.COM
Cameroon	Saudi Arabia, Kingdom of	01.06.2022	https://www.journalducameroun.com/en/cameroon-and-canada-sign-air-transport-agreement-to-boost-trade/
Guatemala	Dominican Republic	06.06.2022	Guatemala and Dominican Republic sign open skies agreement - Aviacionline.com
Oman	Indonesia	16.06.2022	Oman, Indonesia ink agreement on air transport (trade Arabia.com)
Azerbaijan	Israel	01.07.2022	Azerbaijan, Israel sign agreement on air services (PHOTO) (trend.az)
Israel	Türkiye	07.07.2022	Israel and Türkiye to sign new bilateral air transport agreement (azernews.az)
Rwanda	Austria	19.07.2022	https://www.newtimes.co.rw/news/rwanda-austria-sign-air-service-agreement
United States	Colombia	27.07.2022	The United States and Colombia Add All-Cargo Rights to Air Transport Agreement - United States Department of State
Saudi Arabia, Kingdom of	Poland	29.07.2022	Saudi Arabia, Poland Sign MOU In Air Transport Field MENAFN.COM
Nigeria	Kuwait, State of	07.09.2022	Nigerian govt approves bilateral air services agreement with Kuwait (premiumtimesng.com)

Source: WTO Secretariat.

4.27. Box 4.2 provides some perspectives on connected services and competitiveness and has been contributed by the ITC.

Box 4.2 Connected services make all firms competitive

Challenges from COVID-19, conflict and climate have led to constrained financial circumstances around the world. As countries seek a pathway out of this negative context, services are well placed to reignite growth. The sector was the main driver of GDP growth in more than three quarters of countries in 2019. The latest ITC Report shows that a services-led economic transformation can also be more inclusive, given the prevalence of small, female- and youth-led companies in the sector.

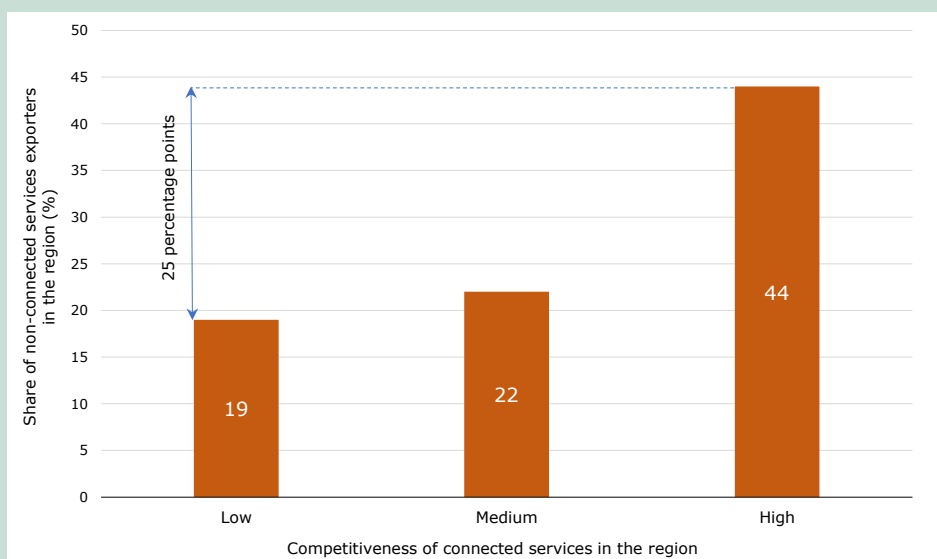
Not all service sectors are created equal, however. A set of four services are at the centre of contemporary economic trends. They provide a significant share of value into global supply chains, and also intensively deploy digital technologies. These services, which ITC calls 'connected services', are transport and logistics, financial services, information and communication technologies, and business and professional services.^a

Connected services provide important direct benefits to economies. Approximately one quarter of people working in services globally are in these sectors, and this share is growing rapidly. Connected service firms also export more often, attract more investment from abroad and reinvest a larger share of their revenue in innovation.

However, it is their contribution to overall competitiveness that makes these sectors so transformative. Connected services firms supply crucial inputs to other companies that encourage more competitive practices. For example, companies that used good logistics services were more than twice as likely to have efficient inventory management practices, according to data from ITC's SME Competitiveness Surveys. Similarly, firms that were able to access high-quality banking services were 15 percentage points more likely to succeed in developing new products or processes.

By making other companies more competitive, good connected services firms can also boost exports. ITC analysis shows that companies in regions with competitive connected services tend to be more competitive, and companies that are more competitive have a higher propensity to export. The share of companies that export was 25 percentage points higher when there were competitive connected services firms nearby.

Figure 1 Regions with strong connected services have more exporters



Source: ITC, based on ITC SME Competitiveness Surveys conducted in 16 developing countries with 5504 firms between 2015 and 2021. Region is defined as within the same sub-national region, as defined by the government (e.g. state, province, etc.). The vertical axis measures the share of exporters for non-connected services companies. Respondents were asked "In the last full calendar year, what percentage of this establishment's sales were direct exports (e.g. products or services exported) by this establishment?". Firms that indicated a percentage higher than or equal to one are considered exporters. Firms that reported zero direct exports are considered non-exporters. "Competitive" is calculated as the average of the capacity to compete, connect and change scores of firms within the region, based on the ITC SME Competitiveness Survey data. The figure groups the regional competitiveness of connected services into three groups: low, medium, and high, according to the tertial in which the regional competitiveness of connected services belongs. The competitiveness indices are obtained by taking the simple average of the capacity to compete, capacity to connect and capacity to change indices.

Efficient payment solutions, reliable digital and physical connectivity, and cutting-edge business expertise – all these connected service inputs are crucial to disadvantaged firms, which can use them to connect to global markets. This is particularly the case in the services sector, where 9 out of 10 firms are small and medium-sized enterprises (SMEs), 44% of workers are women, and 16% of firms are led by young people.^b Key services connect these businesses to global value chains, making trade more inclusive, and to digital technologies which transform how they produce and engage with buyers and suppliers.

Turning services potential into a reality

Connected services are a powerful force for economic transformation. Unfortunately, most small firms do not have easy access to these inputs. Connected services need to be more accessible, cheaper and of better quality for SMEs to be able to use them to export. One way to make this happen is to improve the competitiveness of connected services firms.

ITC research identifies four competencies that are often lacking, but critical to the competitiveness of connected services providers. These are the ability to grow networks, innovate, deepen skills and use finance to diversify products and markets. Many aspects of these competitiveness shortcomings can be addressed by firms themselves. For example, they should craft trust-based, long-term relationships with buyers in a way that enables the firm to learn and improve its service offering.^c

Governments also play a critical role in strengthening access to competitive connected services. In some cases, these inputs can be sourced from neighbouring countries or abroad. Yet trade costs tend to be higher in services than in manufacturing,^d including because of non-tariff barriers.^f This suggests that a few strategic government interventions to reduce regulatory and procedural obstacles to trade in services can have widespread benefits.

Services-led growth is a feasible and promising pathway for countries to re-emerge from the dire macroeconomic situation they have faced. Connected services are poised to help SMEs take part in this change, by giving them the inputs they need to be competitive and trade. Through its recently launched Switch ON strategy, and other initiatives, the International Trade Centre is helping to ensure that all companies have access to these important inputs.

- a ITC, "SME Competitiveness Outlook 2022: Connected Services, Competitive Businesses" (Geneva, Switzerland: International Trade Centre, September 2022), <https://intracen.org/resources/publications/sme-competitiveness-outlook-2022-connected-services-competitive-businesses>.
- b ITC defines small and medium-sized enterprises (SMEs) as firms with fewer than 100 employees. Youth-led firms are defined as being run by a top manager under the age of 35. See SME Competitiveness Outlook 2022 for more details.
- d Jane Drake-Brockman, "Developing Export Competitiveness in Services" (National Workshop on Services, Advancing Philippines Services Sector in the Asia-Pacific Region and the 21st Century Global Economy, Manila, Philippines, June 2, 2014), <https://pidswebs.pids.gov.ph/CDN/PUBLICATIONS/pidsdps1505.pdf>.
- e WTO, "World Trade Report 2019: The Future of Services Trade," World Trade Report (Geneva: World Trade Organization, 2019), https://www.wto.org/english/res_e/booksp_e/00_wtr19_e.pdf.
- f ICT, transport and logistics companies cited technical requirements, taxation, movement of natural persons and quality control measures as the most burdensome barriers to trade, according to 323 ICT and logistics/transport firms surveyed in 2019 and 2020 for the ITC Non-Tariff Measures Business Surveys in Viet Nam, Ghana, Niger and Bahrain.

Source: ITC.

5 POLICY DEVELOPMENTS IN TRADE AND INTELLECTUAL PROPERTY

5.1. During the review period, WTO Members continued to fine-tune their intellectual property (IP) domestic frameworks, as shown by their communications to the Trade Monitoring Exercise and notifications to the TRIPS Council. The pace of implementation of specific measures related to COVID-19 health technologies slowed down. At MC12, Members adopted the Ministerial Decision on the TRIPS Agreement.

Acceptance of the protocol amending the TRIPS agreement

5.2. During the review period, three Members deposited instruments of acceptance of the Protocol Amending the TRIPS Agreement¹: Ecuador, on 8 March; Maldives, on 20 April; and Eswatini on 23 May 2022. To date, 136 Members are bound by the amended TRIPS Agreement, which incorporates an additional flexibility to address public health needs of countries with limited or no domestic capacity to produce pharmaceuticals.²

IP-related international, regional and bilateral agreements

5.3. During the review period, the Marrakesh Treaty to Facilitate Access to Published Works for Persons Who Are Blind, Visually Impaired, or Otherwise Print Disabled entered into force for China, on 5 May 2022.

5.4. The Nairobi Treaty on the Protection of the Olympic Symbol came into force for the Kingdom of Saudi Arabia, on 8 November 2021. On 11 January 2022, the Kingdom of Saudi Arabia deposited a Declaration by which it avails itself of the faculties provided for in Articles II and III of the Appendix to the Berne Convention concerning limitations on the rights of translation and of reproduction respectively with effect up to 10 October 2024.³

5.5. At the regional level, the amendments to the Patent Law of the Cooperation Council for the Arab States of the Gulf entered into force on 9 March 2022.⁴

5.6. The IP office of the Kingdom of Saudi Arabia (SAPI) designated the China National Intellectual Property Administration (CNIPA) and the United States Patent and Trademarks Office (USPTO) as International Searching Authority (ISA) and International Preliminary Examining Authority (IPEA), as per the Patent Cooperation Treaty (PCT).⁵

National IP-related strategies

5.7. In November 2021, Colombia approved its National IP Policy, which recognizes IP as a tool to foster creativity and innovation, transfer of knowledge and increasing productivity, and will be implemented between 2022 and 2031.⁶

5.8. Albania approved its new National IP Strategy 2022–2025, with a view to stimulate economic, scientific, and cultural development and to establish a balance of rights and obligations between IP holders and users, as well as strengthen the registration administration of IPRs.⁷

¹ WTO document WT/L/641, 8 December 2005.

² The complete list of Members that have accepted the Protocol Amending the TRIPS Agreement is available on: https://www.wto.org/english/tratop_e/trips_e/amendment_e.htm

³ Communication by the Kingdom of Saudi Arabia to the Trade Monitoring Exercise; and https://wipolex.wipo.int/en/treaties/ShowResults?search_what=C&treaty_id=22

⁴ Communication by the Kingdom of Saudi Arabia to the Trade Monitoring Exercise; and <https://www.ncar.gov.sa/Documents/Details?Id=pWcjGCAyTJf1LvdTYyb%2BgQ%3D%3D>

⁵ Communication by the Kingdom of Saudi Arabia to the Trade Monitoring Exercise.

⁶ Communication by Colombia for the WTO Trade Monitoring Exercise; and <https://colaboracion.dnp.gov.co/CDT/Conpes/Econ%C3%B3micos/4062.pdf>

⁷ Communication by Albania for the Trade Monitoring Exercise.

Developments in domestic legislation and administration of IPRs

5.9. Domestically, WTO Members and Observers are working to streamline IP into their economies. The relationship between IP and trade continued to develop and diversify, as Members continued to modernize and fine-tune their IP legislation and administration (Table 5.1).

Table 5.1 Domestic legislation and administrative developments

Member	Measure
Australia	The Industrial Property Act 2019, whereby "industrial property right" includes a patent, a utility model, a layout-design, a breeder's right, an industrial design, a mark, a trade name and a geographical indication, entered into force on 22 January 2022
Chile	<ul style="list-style-type: none"> Decree with Force of Law No. 3 implements Law No. 20.254 on the Creation of the Industrial Property Institute and was published on 21 July 2022. Decree with Force of Law No. 4 implements the Law N° 19.039 on Industrial Property and was published on 6 August 2022. Supreme Decree No. 82 approved the Regulations on Law No. 19.039 on Industrial Property and was published on 9 May 2022. Supreme Decree No. 174 promulgates the Protocol on the Madrid System and was published on 30 June 2022. The National Institute of Industrial Property issued Circular No. 524 and Resolutions No. 135, 136, 137, 138, 139, 140, 141, 184 and 185 on several issues related to the management of IPRs.
China	The China National Intellectual Property Administration issued the following Announcements: <ul style="list-style-type: none"> No. 481 on the Interim Measures for the Handling of Relevant Affairs after China's Accession to the Hague Agreement, on 5 May 2022; and No. 486 on Matters Concerning the Payment of Patent Annual Fees, on 10 June 2022
Latvia	Amendments to Cabinet Regulations No. 723 on the Price List of Paid Services of the Patent Office, exempted patent holders from fees for the extension of time limits, renewal of rights or continuation of proceedings, upon presenting evidence of having been affected by COVID-19 restrictions and consequently not being able to meet the required deadlines. The amendment was in force from 11 October to 31 December 2021
Mauritius	The Finance (Miscellaneous Provisions) Act 2022 amended the Customs Act to enforce utility models, layout designs, breeders' rights, trademarks and geographical indications, both at the border and in the domestic market. It entered into force on 2 August 2022
Myanmar	Launch of awareness campaign for MSMEs regarding trademark registrations took place on 25 February 2022.
Philippines	The process for copyright registration, transfer, assignment, exclusive license and mortgage, and resale rights registration has been streamlined, as of 20 October 2021. The issuance of Patent eCert for inventions, utility models and industrial designs was established on 1 March 2022. The electronic Service of Orders and Notices for inter partes cases started delivering orders and notices on 14 May 2022
Saudi Arabia, Kingdom of	The Regulation of Voluntary Copyright Registration was amended to include artistic works and applied arts; photographic works; schematic works and topographic sculptural works. It entered into force on 24 November 2021
Singapore	The Copyright Act 2021 repealed and replaced the previous Copyright Act 1987, overhauling the domestic copyright regime to address how the creation, distribution and use of content has changed. It entered into force on 21 November 2021
Slovenia	Collective copyright management organizations were allowed to donate part of the royalties collected during 2020 to pay extraordinary aid to their members, as of 31 December 2020
Thailand	The specification of plant as a new plant variety protection under Plant variety Protection Act was enacted on 26 October 2021. The Research and Innovation Utilization Promotion Act entered into force on 7 May 2022
Türkiye	The Copyright Law was amended to reflect the European Union Information Society Directive 2001/29/EC to cover all works, performances, phonograms, productions and broadcasts. It entered into force on 25 December 2021
Ukraine	Law No. 2174-IX was enacted to protect intellectual property interests of stakeholders during the martial law regime and includes provisions on maintenance, proper use and enforcement. It entered into force on 13 April 2022

Note: The table contains communications by Members and Observers to the WTO Trade Monitoring Exercise.

Source: WTO Secretariat.

COVID-19-related measures

5.10. The implementation IP measures, designed to facilitate innovation and access to COVID-19 health-related technologies or streamline procedures for the management of intellectual property rights (IPRs) has decelerated during the review period. The Secretariat maintains a non-exhaustive list of measures online.⁸

TRIPS Council

5.11. During the review period, the TRIPS Council met formally on 13-14 October, 29 November, and 16 December 2021; as well as on 22 February, 9-10 March, 3, 6, 16 and 19 May, 6-7 July, and 12-13 October 2022. It also held numerous informal open-ended meetings and consultations by the Chair.

5.12. During the meetings of the TRIPS Council that took place before MC12⁹, some Members focused on the proposal by India and South Africa to waive parts of the TRIPS Agreement during the pandemic¹⁰; as well as the European Union's Communication on "Urgent Trade Policy Responses to the COVID-19 Crisis – Intellectual Property" and the proposed "Draft General Council Declaration on the TRIPS Agreement and Public Health and the Circumstances of the Pandemic".¹¹

5.13. In March 2022, a Workshop on the Implementation of Article 66.2 of the TRIPS Agreement took place back-to-back with the formal meeting of the TRIPS Council, where Members concluded the review of the Annual Reports on incentives for technology transfer to LDC Members and technical cooperation activities and took note of the Secretariat Report on Notifications and Other Information Flows.¹²

5.14. Several Members continued to share information and best practices to bring more female creators and inventors, as well as other under-represented groups, into the IP ecosystem¹³; and, on domestic policies to boost innovation and microfinance.¹⁴

MC12

5.15. Ministers at MC12 adopted the Ministerial Decision on the TRIPS Agreement¹⁵, which sets forth clarifications and a waiver for eligible WTO Members to authorize the use of the subject matter of a patent required for the production and supply of COVID-19 vaccines without the consent of the right holder. The Ministerial Decision also provides that, no later than six months from the date of the Ministerial Decision, WTO Members will decide on its extension to cover the production and supply of COVID-19 diagnostics and therapeutics.

5.16. The Ministerial Decision on TRIPS Non-Violation and Situation Complaints¹⁶ contains the agreement to extend the moratorium until MC13 and instructs the TRIPS Council to continue discussions on the scope and modalities of these types of disputes to the TRIPS Agreement.

TRIPS-related discussions in Trade Policy Reviews

5.17. The Trade Policy Reviews of China, the Russian Federation, Mauritius, Oman, Kingdom of Bahrain, Tajikistan, Georgia, Panama, Guyana, United Arab Emirates, Pakistan, Switzerland-Liechtenstein, New Zealand, Ghana, Moldova and Mexico took place. During these reviews, Members actively engaged and discussed a wide range of specific IP issues with a bearing on trade policy.

⁸ Viewed at: https://www.wto.org/english/tratop_e/covid19_e/trade_related_ip_measure_e.htm.

⁹ During the review period, the TRIPS Council met formally on 3, 6, 16 and 19 May 2022, 6-7 July, and 12-13 October 2022. It also held several informal open-ended meetings and consultations by the Chairperson.

¹⁰ WTO document IP/C/W/669, 2 October 2020 and addenda.

¹¹ WTO documents IP/C/W/680, 4 June 2021; and IP/C/W/681, 18 June 2021 respectively.

¹² WTO document IP/C/W/687, 1 March 2022.

¹³ WTO document IP/C/W/685, 1 October 2021.

¹⁴ WTO document IP/C/W/686, 25 February 2022.

¹⁵ WTO document WT/MIN(22)/30, WT/L/1141, 22 June 2022.

¹⁶ WTO document WT/MIN(22)/26, WT/L/1137, 17 June 2022.

Developments in the context of the war in Ukraine

5.18. Since February 2022, several Members have implemented financial measures that might indirectly affect the maintenance and licensing of IPRs.¹⁷ When financial sanctions are applied to designated nationals (e.g. legal or natural persons), all economic assets, including IP rights, are frozen or affected.¹⁸ Some Members have adjusted their measures to exclude transactions related to IPRs.¹⁹ Additionally, various national and regional IP offices have taken measures, which are mostly relevant for the maintenance of IP rights held by Ukrainian nationals, or those affected by the crisis.²⁰

5.19. The Russian Federation enacted Decree No. 299²¹, which grants the option to use an invention, utility model or industrial design without the IP right holder's consent at short notice and for proportional compensation of 0.5%. This measure is of horizontal nature and is applicable to Russian and non-Russian nationals from countries committing "unfriendly" actions against Russian legal entities and individuals or patent owners having such countries as a place of registration, a principal place of business activities or a principal place of receiving revenues.²² Decree No. 322 instructs Russian nationals to make payments for the use of IP to foreign right holders by transferring funds in rubles to a special O-type bank account opened in the name of the foreign IP right holder.²³

¹⁷ See, for example: <https://www.legislation.gov.au/Details/F2021C00330>.

¹⁸ Viewed at: <https://www.mondaq.com/unitedstates/export-controls-trade-investment-sanctions/308040/implications-of-us-sanctions-program-on-intellectual-property-owners> and https://ec.europa.eu/info/sites/default/files/business_economy_euro/banking_and_finance/documents/faqs-sanctions-russia-ipr_en.pdf.

¹⁹ Viewed at: https://home.treasury.gov/system/files/126/russia_gl31.pdf.

²⁰ As seen, for example, in: <https://euipo.europa.eu/ohimportal/en/news/-/action/view/9237969> and <https://www.worldtrademarkreview.com/article/live-updates-ip-offices-respond-and-implement-measures-in-wake-of-invasion-of-ukraine>.

²¹ Viewed at: <http://publication.pravo.gov.ru/Document/View/0001202203070005>.

²² See official list at: <http://publication.pravo.gov.ru/Document/View/0001202203070001>.

²³ Viewed at: <https://www.managingip.com/article/b1y9vbn25rmp23/this-week-in-ip-russia-restricts-ip-payments-to-unfriendly-states-ukipo-chief-to-leave>.

6 TRANSPARENCY OF TRADE POLICIES

Notifications and surveillance in WTO councils and committees¹

6.1. This Section provides a factual overview of the compliance and timeliness of Members' notifications to the WTO. Notifications are the primary instrument for ensuring transparency in the multilateral trading system. They are submitted by each Member and reviewed by the relevant bodies of the WTO. The importance attached by WTO Members to this issue explains the very elaborate system of notifications and cross-notifications put in place under the terms of most agreements. Transparency in trade and in trade policy making is fundamental for allowing trade policy makers and economic agents to make informed decisions, and markets to operate more efficiently.

6.2. The overview of the compliance and timeliness of Members' notifications to the WTO illustrates that, with a few exceptions, compliance with notification requirements of the various WTO Agreements remains very uneven. Although there have been significant efforts by some delegations to bring the overall record of their notifications further up-to-date, the general sense is that progress on this front remains too slow. The lack of compliance with notification obligations across WTO bodies is problematic because it undermines individual agreements and, more generally, the operation of the multilateral trading system. There are several reasons for low compliance with notification requirements, and an important one relates to the lack of capacity of many WTO Members, despite the continued efforts by the WTO Secretariat and the Committees. This lack of capacity, and the other reasons behind the poor compliance, must be addressed collectively by the WTO membership.

Anti-dumping

6.3. Pursuant to Article 16.4 of the Agreement on the Implementation of Article VI of GATT 1994 (the Anti-Dumping Agreement), all Members are required to submit to the Committee on Anti-Dumping Practices, on a semi-annual basis, reports of any anti-dumping actions taken within the preceding six months, using an agreed standard form. Members that have not taken anti-dumping actions during a given six-month period are required to submit a simple nil notification. Members that have not established an authority competent to conduct anti-dumping investigations have the option to make a one-time notification indicating that fact, which remains valid unless and until they establish an investigating authority, in lieu of submitting nil notifications every six months.

6.4. During the six-month period January-June 2022, 58 Members² submitted semi-annual reports, either of anti-dumping actions taken, or of no actions having been taken. To date, 53 Members have submitted one-time nil notifications. The remaining 26 Members failed to submit semi-annual reports in respect of anti-dumping actions during the period January-June 2022. Few of these non-notifiers are likely to have taken anti-dumping actions as they have never notified the establishment of an investigating authority.

Subsidies and countervailing measures

6.5. The trends in the status of compliance with the obligation to notify subsidies to the Committee on Subsidies and Countervailing Measures under Article 25.1 during the period 1995-2021 are shown in Table 6.1. Subsidy notifications are required every two years, and the deadline for Members to submit their 2021 new and full subsidy notifications was 30 June 2021.

6.6. The share of WTO Members that notified subsidies remained between 40% and 50% between 1995 and 2021. The share of Members that made a "nil" notification fell significantly over the same period. Excluding 1995, the share of Members making the required notifications did not exceed 70%, and generally hovered around 60%. Conversely, the share of Members not making any notification registered a substantial increase since 1995, from 24% to 54%, albeit with some intervening fluctuations.

¹ Notifications in the SPS and TBT Committees are dealt with in Sections 3.3 and 3.4 of this Report.

² The European Union is counted as one (27 member States).

Table 6.1 Status of subsidy notifications

New and full subsidy notification (due on 30 June of the years shown)	1995	1998	2001	2003	2005	2007	2009	2011	2013	2015	2017	2019	2021
	% share of total												
Members that notified subsidies	50	39	44	45	47	48	48	47	49	48	46	46	40
Members that made a "nil" notification	26	17	15	14	13	12	18	21	19	18	14	8	6
Sub-total of notifying Members	76	56	59	59	60	60	66	68	68	66	60	54	46
Members that did not make any notification	24	44	41	41	40	40	34	32	32	34	40	46	54

Note: As of 11 October 2022. Values are rounded.

Source: WTO Secretariat.

6.7. Pursuant to Article 25.11 of the Agreement on Subsidies and Countervailing Measures, all Members are required to submit to the Committee on Subsidies and Countervailing Measures, on a semi-annual basis, reports of any countervailing actions taken within the preceding six months, using an agreed standard form. Members that have not taken countervailing actions during a given six-month period are required to submit a simple nil notification. Members that have not established an authority competent to conduct countervailing duty investigations have the option to make a one-time notification indicating that fact, which remains valid unless and until they establish an investigating authority, in lieu of submitting nil notifications every six months.

6.8. During the six-month period January-June 2022, 52 Members³ submitted semi-annual reports, either of countervailing actions taken, or of no actions having been taken. To date, 47 Members have submitted one-time nil notifications. The remaining 38 Members failed to submit semi-annual reports in respect of countervailing actions during the period January-June 2022. Few, if any, of these non-notifiers are likely to have taken countervailing actions as they have never notified the establishment of an investigating authority.

Safeguards notifications

6.9. Unlike the Anti-Dumping Agreement or the Agreement on Subsidies and Countervailing Measures, the Agreement on Safeguards (SG) does not oblige Members to submit semi-annual reports. On the other hand, the SG Agreement obliges Members to notify individual SG actions, such as initiations of investigation or impositions of measure. The number of notifications regarding initiations and impositions are explained in Section 3.2 of this Report. In addition, pursuant to Article 12.6 of the SG Agreement, all Members are obliged to notify to the Committee on Safeguards their laws, regulations and administrative procedures relating to safeguard measures. As of 11 October 2022, 73 Members⁴ had notified their legislations, 47 Members had notified that they had no such legislation, while 17 Members had not made such a notification.

State trading enterprises

6.10. The Working Party on State Trading Enterprises reviews notifications of state trading enterprises on behalf of the CTG. Since 2004, these notifications have been due every two years. Table 6.2 presents notifications received for the years in which a new and full notification was due.

Table 6.2 Status of new and full STE notifications (due on 30 June of the year shown)

Year	1995	1998	2001	2004	2006	2008	2010	2012	2014	2016	2018	2020	2022
Number of Members that have notified	65	65	72	64	63	66	66	61	64	67	53	46	30

Note: As of 11 October 2022.

Source: WTO Secretariat.

³ The European Union is counted as one (27 member States).

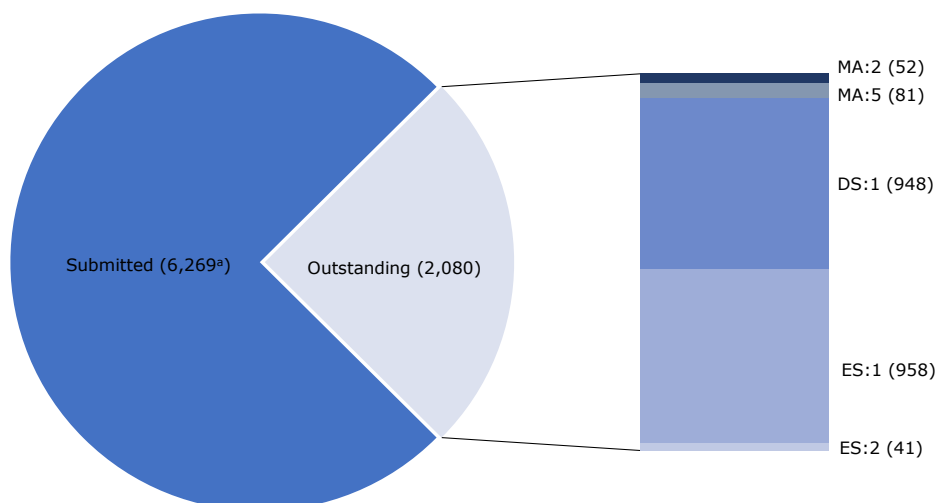
⁴ The European Union is counted as one (27 member States).

Agriculture

6.11. The CoA continued its review of the implementation of commitments under the AoA primarily on the basis of notifications submitted by Members. Twelve distinct notification requirements are 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 NFIDC Decision. The applicability of a notification requirement 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).⁵

6.12. At each meeting, the Committee reviews Members' compliance with their notification requirements under the AoA based on a background document prepared by the Secretariat. The latest revision⁶ considered by the CoA at its September 2022 meeting showed that for the period 1995-2020, there were a total of 2,080 outstanding regular notifications which represented around 25% of expected notifications.⁷ Out of the five annual notification requirements, Domestic Support (DS:1) and Export Subsidy (ES:1) notifications have the highest number of outstanding notifications with 948 and 958 of notifications pending, respectively (Chart 6.1).

Chart 6.1 Outstanding notifications per type of notification requirement, 1995-2020



a This number represents the count of reported years and does not necessarily match the number of notifications submitted since some notifications covered more than one year.

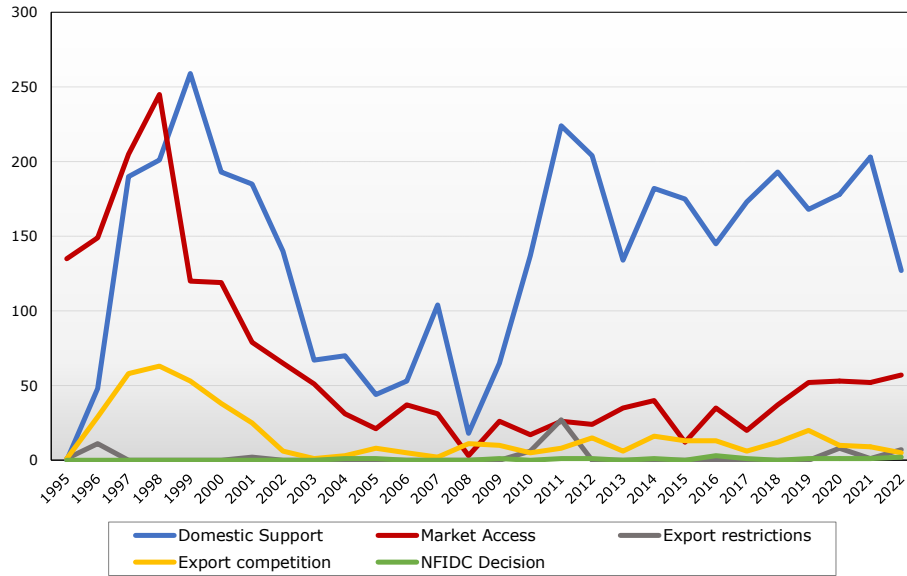
Source: WTO document G/AG/GEN/86/Rev.46, 5 September 2022.

6.13. More than 6,180 questions were raised in connection with individual notifications under the CoA review process in the period 1995-2022 (up until 15 October 2022). Throughout the years, most of these questions focused on domestic support notifications (DS:1 and DS:2), followed by questions concerning market access, in particular TRQs (MA:1 and MA:2). Specifically, since 2010, the prevalence of questions concerning domestic support notifications has been considerably high, representing between 70% and 80% of all the questions raised in the CoA concerning individual notifications (Chart 6.2).

⁵ 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 the Committee's Notification Requirements and Formats in G/AG/2.

⁶ WTO document G/AG/GEN/86/Rev.46, 5 September 2022.

⁷ "Ad hoc" notification obligations applicable only upon maintenance of a specific measure (e.g. Table ER:1 required upon the application of export restrictions) as well as the annual notifications where it was not possible to determine *a priori* whether the concerned notification requirement would be applicable (e.g. Table NF:1 applicable to donor Members only) are excluded.

Chart 6.2 Questions raised on individual notifications, per topic per year, 1995-22

Source: WTO Secretariat.

6.14. From 15 October 2021 to 15 October 2022, Members submitted 39 notifications (including addenda and corrigenda). A total of 198 questions were posed concerning individual notifications at the CoA meeting that took place during this period. In line with the historical trend, most of the questions related to domestic support notifications (64%), with the notifications from Israel, India, the European Union and the United States being subject to an extensive review based on multiple questions from other Members. A total of 16 questions addressed overdue notifications from Botswana, Canada, China, Egypt, European Union, Kazakhstan, Malaysia, Morocco, South Africa and Türkiye.

Balance-of-payments restrictions

6.15. Notification obligations in relation to restrictions to safeguard a country's balance of payments stem from Articles XII and XVIII of the GATT 1994 and the Understanding on Balance-of-Payments (BOP) Provisions (Table 6.3).

Table 6.3 Notification procedures for BOPs restrictions

Legal source	Notification requirement	Type
GATT Article XII:4(a)	Any Member applying new restrictions or raising the general level of restrictions by a substantial intensification of the measures applied under this Article shall immediately after instituting or intensifying such restrictions (or, in circumstances in which prior consultation is practicable, before doing so) consult with Members as to the nature of its BOP difficulties, alternative corrective measures which may be available, and the possible effect of the restrictions on the economies of other Members.	<i>Ad hoc</i> , followed by annual consultations
GATT Article XVIII:12(a)		<i>Ad hoc</i> , followed by biennial consultations
Understanding on BOP Provisions, para. 9	A Member shall notify to the General Council the introduction of, or any changes in, the application of restrictive import measures taken for BOP purposes, as well as any modifications in time-schedules for the removal of such measures as announced under paragraph 1. Significant changes shall be notified to the General Council prior to, or not later than, 30 days after their announcement.	<i>Ad hoc</i> , followed by a yearly consolidated notification

Source: WTO Secretariat.

6.16. The last BOP consultations were completed in July 2017 and no Member has notified the Secretariat of the imposition of measures for BOP purposes since then.

Customs valuation

6.17. Notifications in the area of customs valuation stem not only from the Agreement on Customs Valuation itself, but also from a number of Decisions that have been adopted by the Committee on Customs Valuation. There are four main notification requirements.

6.18. Article 22 of the Agreement on Customs Valuation and a Decision of the Committee contained in WTO document G/VAL/5, 13 October 1995, require the submission of the complete texts of national legislation (laws, regulations, etc.) that deal with customs valuation, as well as any changes to such laws and regulations. During the period under review, one Member provided a notification regarding their customs valuation legislation, bringing the total number of Members that have made this notification up to 111. Members must also provide answers to the "Checklist of Issues" provided for in the Annex to document G/VAL/5. Two Members submitted a notification containing this checklist, for a total of 78 Members that have complied with this notification requirement.

6.19. Members are also required to notify to the Committee the date of application of the Decision on the treatment of interest charges in the customs value of imported goods.⁸ Fifty-eight Members have already provided this date to the Committee, with four Members having done so since mid-October 2021. Finally, Members that apply paragraph 2 of the Decision on the valuation of carrier media bearing software for data processing equipment must also notify the Committee of their practice.⁹ Five Members made such notification during the period under review, bringing the total to 55 Members.

Government procurement

6.20. To ensure the transparency and predictability of its Parties' procurement regimes, the Agreement on Government Procurement sets out notification obligations for its Parties in five areas: (i) national implementing legislation on government procurement; (ii) procurement thresholds in national currencies; (iii) statistics on procurement activities; (iv) modifications to schedules of commitments; and (v) media for the publication of procurement-related information. Various notifications were made during the reporting period under these requirements.

Import licensing

6.21. Notification requirements in the area of import licensing procedures result from the WTO Agreement on Import Licensing Procedures. They are complemented by the "Procedures for Notification and Review under the Agreement on Import Licensing Procedures" adopted by the Committee on Import Licensing in 1995 (G/LIC/3) and the "Understanding on Procedures for the Review of Notifications submitted under the Agreement on Import Licensing Procedures" adopted on 23 October 1996 (G/LIC/4). The notification requirements are described in Table 6.4.

Table 6.4 Notification procedures for import licensing

No.	Notification requirement	Established in	Type	Notification category
1	Submission of full texts of relevant laws and regulations and any changes thereto	Article 8.2(b) of the Agreement; G/LIC/3	One-off and <i>ad hoc</i>	N/1 N/2
2	Sources in which information concerning import licensing procedures are published	Article 1.4(a) of the Agreement; G/LIC/3	One-off and <i>ad hoc</i>	N/1 N/2
3	New import licensing procedures and changes to existing procedures	Articles 5.1-5.4 of the Agreement	<i>Ad hoc</i>	N/2
4	Reply to the Questionnaire on Import Licensing Procedures	Article 7.3 of the Agreement; G/LIC/3	Annual, by 30 September each year	N/3

Source: WTO Secretariat.

6.22. The N/1 notification requires a WTO Member to notify all relevant laws and regulations with regard to import licensing procedures, as well as identify the source/publications containing such information. It contains both a one-off element (notification of existing laws and regulations and

⁸ GATT document VAL/6/Rev.1, 1 October 1984.

⁹ GATT document VAL/8, 10 October 1984.

source/publications) and an *ad hoc* element (changes to laws and regulations thereafter). In theory, a WTO Member should have at least one N/1 submission, providing its laws and regulations on import licensing or indicating that its government does not maintain any import licensing regime.

6.23. The N/2 notification is an obligation for Members to notify new licensing laws/procedures or changes made to existing laws/procedures. It is *ad hoc* in nature, and only due when specific circumstances occur. A new notification form (for notification under Articles 5.1-5.4) was agreed at the Import Licensing Committee meeting held on 4 April 2019 for Members to use on a voluntary basis.¹⁰ WTO Members may use and are effectively using this notification form for all notifications under Articles 1.4(a), 8.2(b) and 5.1-5.4 (N/1 and N/2).¹¹ The N/3 notification requires Members to reply to a Questionnaire describing all import licensing procedures in place by 30 September every year.

6.24. As of 7 October 2022, 13 Members had not yet submitted any notification under any provision of the Agreement since joining the WTO. Twenty-three Members had not submitted any notifications regarding import licensing related laws or regulations and eight Members never replied to the Annual Questionnaire under Article 7.3. During the review period, as of 7 October 2022, 96 new notifications under the Agreement on Import Licensing were received and circulated by the Secretariat.¹² The Committee reviewed 56 N/1 and N/2 notifications relating to the institution of new import licensing procedures or changes in these procedures from 15 Members and 40 N/3 notifications from 36 Members. On 29 September the Dominican Republic, and 4 October 2022 Cambodia, submitted their first N/2 notifications, providing information on import licensing related laws and regulations.

Integrated database (IDB)

6.25. Market access transparency is anchored on reliable and updated information. The IDB is the repository of Members' officially approved data on tariffs and imports and other market access information, including applied internal taxes and other duties and charges.

6.26. Chart 6.3 shows the completeness of tariff and import notifications to the IDB directly submitted by Members or collected by the Secretariat. As of 28 September 2022, the completeness of IDB notifications was 82% for tariffs and 76% for import statistics. The coverage of the 2022 tariff information which was due for 30 March 2022 was at 54%. The coverage of the 2020 import statistics, which is the latest outstanding year, was 56%. Of the 73 tariff notifications received for 2022, 52 (71%) included preferential tariffs.

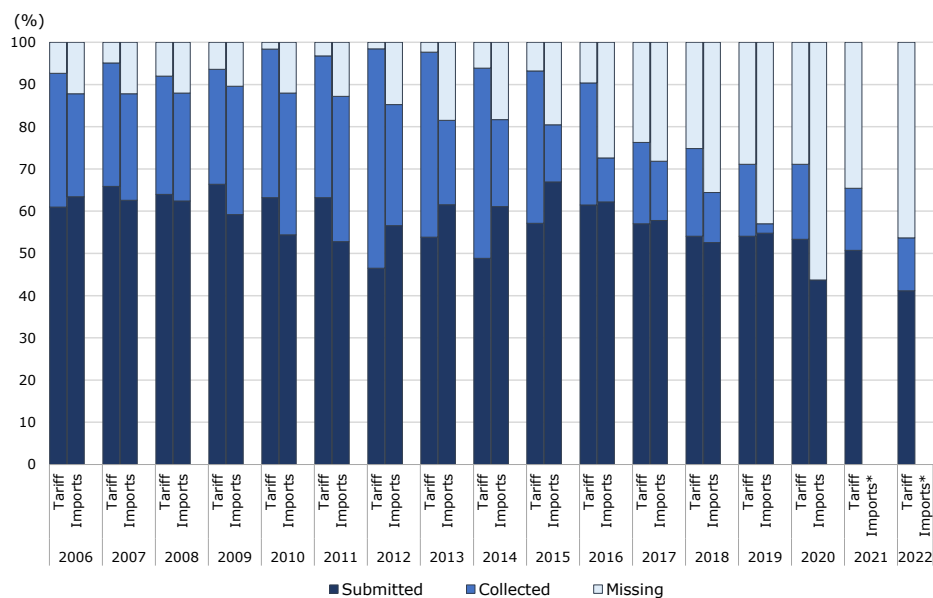
6.27. The IDB notifications' coverage varies among Members. As shown in Table 6.5, 49 Members (36%) have complete tariff information, and 46 Members (34%) have complete import statistics in the IDB. The table also shows high percentages of Members with at least 6 years of outstanding notifications - 34% for tariffs and 40% for imports.

6.28. The IDB data are disseminated in different WTO online portals and are used to calculate the statistics published in the World Tariff Profiles (WTP), a yearly compendium of comprehensive market access indicators.

¹⁰ WTO document G/LIC/28, 1 May 2019.

¹¹ See footnote 1 to WTO document G/LIC/28, 1 May 2019.

¹² The European Union and its member States are counted as one.

Chart 6.3 Completeness of IDB tariff and import notifications, 2006-22

* data not yet due.

Note: Notifications of imports for 2020 and 2021 are not yet due. The completeness of notifications is calculated on the basis of the number of Members' schedules (i.e., the European Union schedule includes the EU member States, and that of Switzerland includes Lichtenstein). For the period until 31 December 2020, tariff information provided by the European Union also covers the United Kingdom. Since 1 January 2021, the information provided by the European Union covers its 27 members.

Source: WTO Secretariat, as of 28 September 2022.

Table 6.5 Completeness of notifications among Members

Number of years with outstanding data	Tariffs (up to 2022)		Imports (up to 2020)	
	No. of Members	%	No. of Members	%
None (complete data)	49	36	46	34
1-2 years	18	13	17	12
3-5 years	23	17	19	14
6 or more years	46	34	54	40
Total number of Members' schedules	136	100	136	100
<i>Memo: With at least one year of outstanding data</i>	87	64	90	66

Note: The completeness of notifications is calculated on the basis of the number of Members' schedules (i.e. the European Union schedule includes the EU member States, and that of Switzerland includes Lichtenstein). For the period until 31 December 2020, tariff information provided by the European Union also covers the United Kingdom. Since 1 January 2021, the information provided by the European Union covers its 27 members.

Source: WTO Secretariat, as of 28 September 2022.

Preshipment inspection

6.29. Article 5 of the Agreement on Preshipment Inspection (PSI) provides that Members shall submit to the Secretariat copies of the laws and regulations under which they put the Agreement into force, as well as copies of any other laws and regulations relating to PSI. Changes in such laws and regulations shall also be notified immediately after their publication. Since the last Report, one Member submitted a notification relating to PSI, bringing the total number of Members that have made such a notification to 116.

Preferential trade arrangements

6.30. Under the Transparency Mechanism for Preferential Trade Arrangements (PTAs), which was established in December 2010¹³, newly notified PTAs are to be considered in dedicated sessions of the Committee on Trade and Development (CTD), on the basis of Secretariat-prepared factual

¹³ WTO document WT/L/806, 16 December 2010.

presentations. Since the establishment of the Transparency Mechanism, 12 PTAs have been notified to the WTO. Four of these have been considered by the CTD in dedicated sessions, while for several others, the notifying Members have yet to provide the Secretariat with the information required for the preparation of the factual presentations. The CTD Chair provides an update at each meeting of the CTD's dedicated session regarding the PTAs that are to be considered and urges the notifying Members to provide the data and information as soon as possible.

6.31. The Transparency Mechanism for PTAs also stipulates that an electronic database on individual PTAs is to be maintained by the Secretariat. The Database on PTAs¹⁴ currently contains information on 36 PTAs. Table 6.6 provides an overview of the PTAs included in the database, which is updated primarily on the basis of information provided by the Members implementing PTAs.

Table 6.6 PTAs of WTO Members

WTO Member	Number of PTAs	Name or description of PTA
Armenia	1	Generalized System of Preferences
Australia	2	Generalized System of Preferences South Pacific Regional Trade and Economic Cooperation Agreement ^a
Canada	2	Generalized System of Preferences Commonwealth Caribbean Countries Tariff
Chile	1	Duty-free treatment for LDCs
China	1	Duty-free treatment for LDCs
European Union	4	Generalized System of Preferences Trade preferences for countries of the Western Balkans Trade preferences for Pakistan ^b Trade preferences for the Republic of Moldova ^c
Iceland	1	Generalized System of Preferences
India	1	Duty-Free Tariff Preference Scheme for LDCs
Japan	1	Generalized System of Preferences
Kazakhstan	1	Generalized System of Preferences
Republic of Korea	1	Preferential Tariff for LDCs
Kyrgyz Republic	2	Duty-free treatment for LDCs ^d Generalized System of Preferences
Montenegro	1	Duty-free treatment for LDCs
Morocco	1	Duty-free treatment for African LDCs
New Zealand	2	Generalized System of Preferences South Pacific Regional Trade and Economic Cooperation Agreement ^a
Norway	1	Generalized System of Preferences
Russian Federation	2	Generalized System of Preferences (1.1.2010-10.10.2016) ^d Generalized System of Preferences (as of 10.10.2016)
Switzerland	1	Generalized System of Preferences
Chinese Taipei	1	Duty-free treatment for LDCs
Tajikistan	1	Duty-free treatment for LDCs
Thailand	1	Duty-free treatment for LDCs ^e
Türkiye	1	Generalized System of Preferences
United Kingdom	1	Generalized System of Preferences
United States	6	African Growth and Opportunity Act Andean Trade Preference Act ^f Caribbean Basin Economic Recovery Act Former Trust Territory of the Pacific Islands Generalized System of Preferences Trade preferences for Nepal

a Australia and New Zealand both provide preferences under this PTA.

b The preferences granted under this PTA expired on 31 December 2013.

c The preferences granted under this PTA expired on 31 December 2015.

d The preferences granted under this PTA expired on 10 October 2016.

e The preferences granted under this PTA expired on 31 December 2020.

f The preferences granted under this PTA expired on 31 July 2013.

Source: Database on PTAs.

¹⁴ Viewed at: <http://ptadb.wto.org>.

Quantitative restrictions (QRs)

6.32. The notification of QRs to the Market Access Committee is an obligation established by the 2012 Decision on Notification Procedures for Quantitative Restrictions (WTO document G/L/59/Rev.1, 3 July 2012). The Decision requires Members, every two years, to notify the WTO Secretariat of the QRs they have in force, as well as any changes in the interim. As of 13 October 2022, a total of 59 Members (counting the EU 27 as one) had submitted QR notifications and 78 Members had never submitted a notification since the requirement was established in 2012.¹⁵ The number of notifications for each biennial period is provided in Table 6.7.

6.33. As of 13 October 2022, 38 Members (counting the EU 27 as one), had submitted multiple notifications under the QR Decision informing of the introduction, modification or removal of temporary export prohibitions and restrictions as a result of the COVID-19 pandemic.¹⁶ In terms of the continued application of these measures, while some Members have notified the extension of the temporary measures, and others have notified either the complete or partial elimination of the temporary export restrictions or have confirmed the expiration of the measures, most Members have not notified additional information since their first QR notification. According to the Secretariat Report "Summary of notified export restrictions and trade-facilitating measures relating to the COVID-19 Pandemic"¹⁷ approximately 19 additional Members provided information on 30 additional measures to the Trade Monitoring Report as a result of the COVID-19 but did not notify these measures under the QR Decision as of the date of this Report.

Table 6.7 Notification procedures for QRs

No.	Notification requirement	Total number of notifications received as at 13 October 2022, by biennial period
1	QRs in force (regular notification) ^a	2012-14: 29 notifications from 23 Members 2014-16: 34 notifications from 31 Members 2016-18: 32 notifications from 32 Members 2018-20: 89 notifications from 50 Members 2020-22: 103 notifications from 44 Members 2022-2024: 17 notifications from 16 Members
2	Changes to the QRs maintained (<i>ad hoc</i>), or introduction of new QRs	2012-14: 2 Members notified changes to existing QRs 2014-16: 3 Members notified changes to existing QRs 2016-18: 1 Member notified changes to existing QRs 2018-20: 17 Members notified changes to existing QRs, most of which related to measures introduced as a result of the COVID-19 pandemic 2020-2022: 21 Members notified changes to existing QRs, most of which related to measures introduced as a result of the COVID-19 pandemic 2022-2024: 1 Member notified changes to existing QRs
3	QRs maintained by other Members (reverse notification)	No Member submitted this type of notification
4	Non-tariff measures maintained by other Members (reverse notification)	No Member submitted this type of notification

a Some of these notifications contain information only on COVID-19 measures. See Annex table in WTO document G/MA/QR/12, 28 October 2022.

Source: WTO Secretariat.

¹⁵ WTO document G/MA/QR/12/Rev.1, 28 October 2022.

¹⁶ WTO document G/MA/W/157/Rev.5, 17 October 2022.

¹⁷ WTO document G/MA/W/168/Rev.3, 17 October 2022.

Rules of origin

6.34. As of mid-October 2021, a total of 116 WTO Members¹⁸ submitted a notification on non-preferential rules of origin under Article 5 of the Agreement on Rules of Origin. 53 Members informed the Committee that they implement non-preferential origin requirements, while 63 other Members notified that they do not. Annex 1 of the WTO document G/RO/W/214/Rev.1 contains a detailed report on notifications received or outstanding. However, as noted in previous Reports, the majority of these notifications were made in 1995-96 and some are known to contain outdated or incomplete information. As a result, some Members have proposed to update and standardize the information available by adopting a new notification template. Consultations are ongoing on this proposal.¹⁹

6.35. In relation to non-reciprocal preferences for LDCs, all WTO Members except three have notified their LDC-specific origin requirements. In addition, the Bali and Nairobi Ministerial Decisions²⁰ also requires preference-granting Members to notify their preferential tariffs and import statistics from LDCs. Compliance with these obligations has significantly improved, even if some gaps remain, in particular concerning preferential imports under LDC preferential schemes.²¹

Services

6.36. From mid-October 2021 to mid-October 2022, 47 new notifications were made under various GATS provisions.

6.37. Out of the new notifications submitted, 35 were made under GATS Article III:3. This Article requires Members to notify to the Council for Trade in Services, at least annually, of any regulatory changes that significantly affect trade in services covered by its specific commitments. During the reporting period, more notifications were submitted under Article III:3 than in the previous two years.

6.38. Eight agreements concerning economic integration in services were notified under GATS Article V:7 between mid-October 2021 and mid-October 2022. These agreements were referred to the Committee on Regional Trade Agreements for consideration. While the previous reporting period saw the highest number of Economic Integration Agreements ever recorded²², the number of notifications has declined to the average level of the last six years.

6.39. Four notifications were made under GATS Article VII:4. This Article requires Members to notify to the Council for Trade in Services any new or existing mutual recognition agreements or arrangements. Whereas the notifications received under Article VII:4 increased markedly since 2018 in comparison to the previous two decades, the reporting period 2021-2022 has not witnessed a continuance of this trend.

6.40. No notifications were received under other GATS provisions during this period.

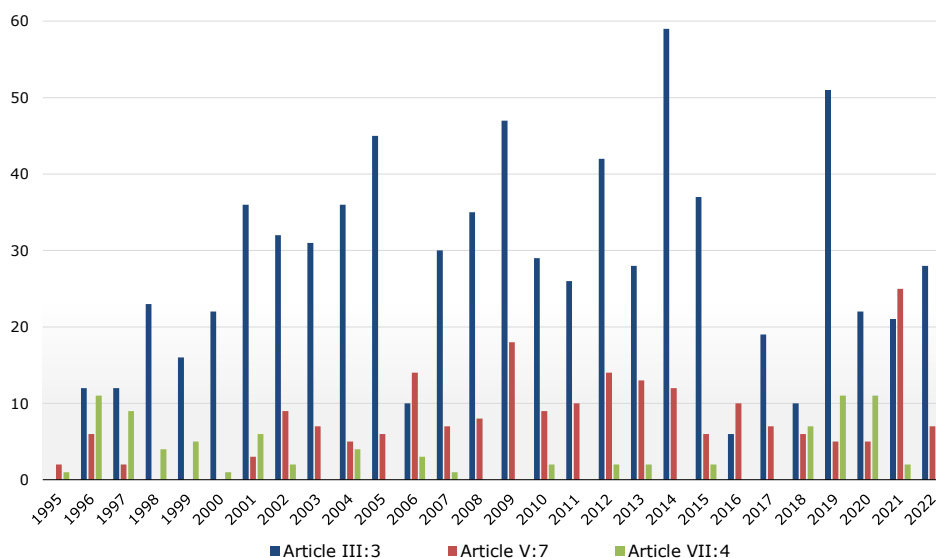
¹⁸ The European Union and its member States are counted as one.

¹⁹ WTO document G/RO/W/182/Rev.4, 13 October 2021.

²⁰ WTO documents WT/L/917, 7 December 2013 and WT/L/917/Add.1, 19 December 2015.

²¹ WTO document G/RO/W/163/Rev.10, 25 March 2022 provides a detailed overview of the notifications submitted and information gaps.

²² In the previous reporting period, 19 out of the 24 Economic Integration Agreements were notified by the United Kingdom and its trading partners following the end of the transition period under the Withdrawal Agreement between the European Union and the United Kingdom on 31 December 2020.

Chart 6.4 Notifications pursuant to GATS Articles III:3, V:7 and VII:4, 1995-22

Note: 2022 data cover up to 30 September 2022. Changes to previously submitted notifications are not counted. Figures on Article V:7 include agreements of the EC/EU with its future member states and EU-enlargement agreements.

Source: WTO Secretariat.

Transparency of TRIPS

6.41. The TRIPS Agreement requires WTO Members to notify to the Council for TRIPS their IP laws and regulations (Article 63.2); to establish and notify contact points in their administrations for the purposes of cooperation with each other, aimed at the elimination of trade in infringing goods; and to notify the Council if they wish to use certain options under the Agreement relating to substantive obligations.

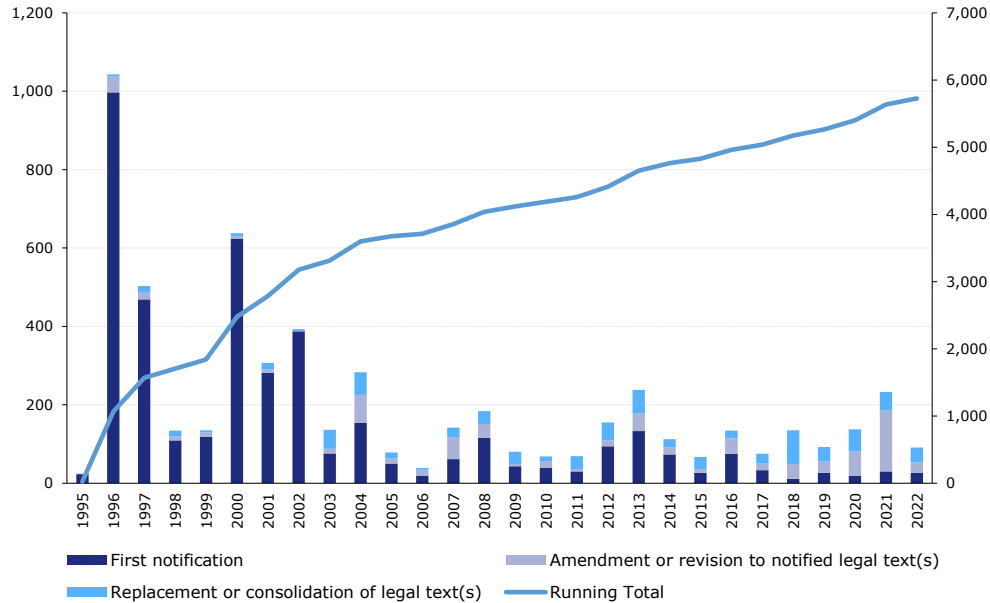
6.42. Notifications peaked in 1996, when developed-country Members notified existing laws or amendments that implemented the TRIPS Agreement. As of 2000, notifications mainly came from developing Members and recently acceded Members. The most recent rise in notifications reflects updates in domestic IP regimes in response to evolving economic, technological, and social dimensions of IP, as well as the launch of e-TRIPS in 2019.²³

6.43. During the review period, 22 WTO Members submitted 96 notifications to the TRIPS Council, under Article 63.2 of the TRIPS Agreement.²⁴ Chart 6.5 shows the laws and regulations notified from 1995 to 10 October 2022.

²³ The e-TRIPS System consists of: the Submission System that enables Members to easily submit TRIPS notifications, review materials, and reports; and the companion Gateway which is an online information portal that allows users to search the full range of TRIPS information managed by the Secretariat. The Secretariat provides regular training sessions and updates to Members. Viewed at: <https://e-trips.wto.org/>.

²⁴ Australia, Brazil, Croatia, Guatemala, Japan, Montenegro, the Russian Federation, the Kingdom of Saudi Arabia, Switzerland, Trinidad and Tobago, Ukraine, the United Arab Emirates, the United Kingdom and the United States of America.

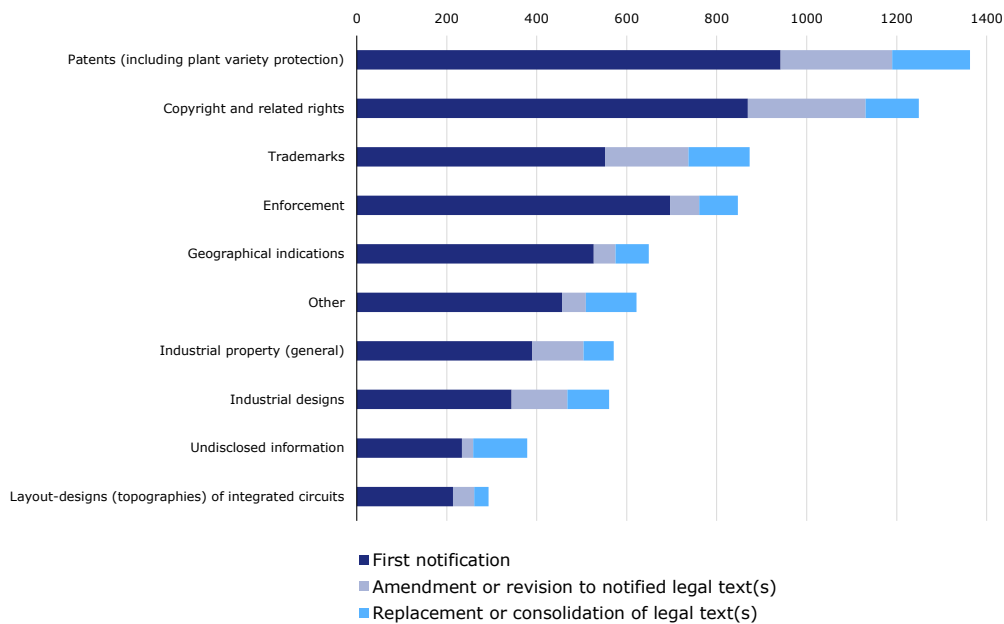
Chart 6.5 Notified laws and regulations under TRIPS Article 63.2, 1995 to 10 October 2022



Source: WTO Secretariat. e-TRIPS.

6.44. The cumulative total of laws and regulations notified until 10 October 2022 was 5725 legal texts. There continue to be significant gaps in the coverage of more recent laws and legislative amendments, as several Members have not updated their initial notifications for well over a decade. Most of the submissions under Article 63.2 cover patent-related legal instruments, including on plant variety protection. Chart 6.6 below, shows the notifications by subject matter from 1995 to 10 October 2022.

Chart 6.6 Notified laws and regulations under TRIPS Article 63.2 by subject matter, 1995 to 10 October 2022



Source: WTO Secretariat. e-TRIPS.

6.45. Transparency obligations also refer to final judicial decisions and administrative rulings of a general application on the subject matter of the TRIPS Agreement, as well as to agreements between

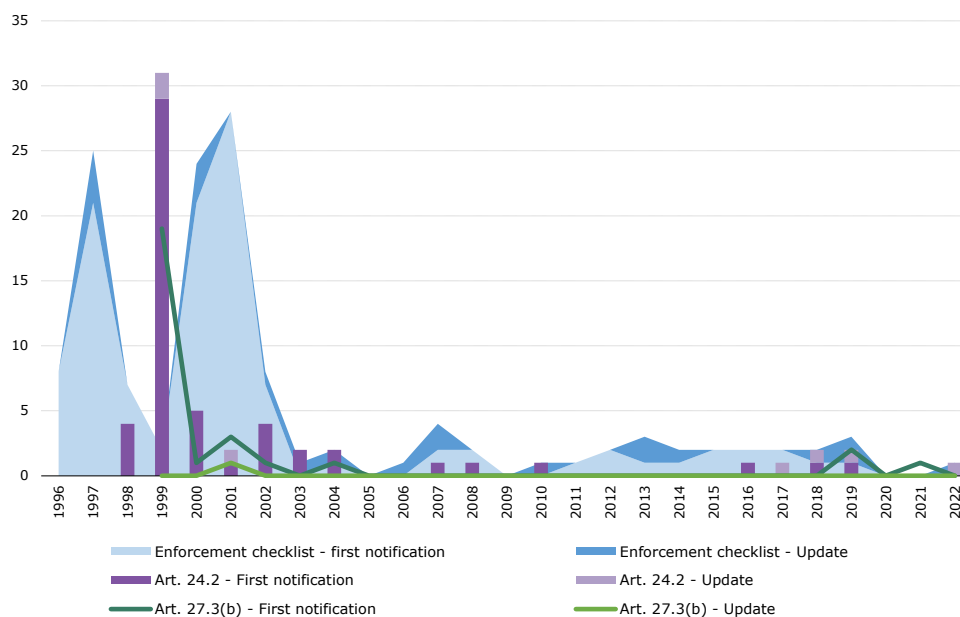
governments or governmental agencies, as provided for by Article 63.1. So far, very few Members have shared such information with the TRIPS Council.²⁵

6.46. Following the recommendation made by the TRIPS Council in March 2010²⁶, WTO Members agreed to share information on, and notify bilateral agreements, related to the protection of geographical indications to which they are a party. The records indicate that few Members have shared or notified such agreements to the TRIPS Council, despite the conclusion of several such agreements.

TRIPS checklists

6.47. The TRIPS Council agreed that to enable transparency on enforcement of IP Rights (i.e. Part III of the TRIPS Agreement) Members should provide responses to an illustrative list of questions on their domestic systems, termed the Checklist on Enforcement.²⁷ Similarly, questionnaires were agreed to implement the Agreement's built-in reviews under Article 24.2 on geographical indications;²⁸ and Article 27.3(b) on biotech patenting and plant variety protection.²⁹ The information therein can have direct bearing on trade policy considerations and aspects of the global economy: for instance, the Checklist on Enforcement reports in detail on border measures. Chart 6.7 shows the Checklists on Enforcement; geographical indications; and biotech patenting and plant variety protection submitted from 1996 until 10 October 2022.

Chart 6.7 Checklist on enforcement; geographical indications; and biotech patenting and plant variety protection, 1996 to 10 October 2022



Source: WTO Secretariat. e-TRIPS.

²⁵ See for example: WTO documents IP/N/1/PHL/2, 27 July 2001; IP/N/1/GBR/1, 9 April 1996; and IP/N/1/HKG/3, 21 January 2003.

²⁶ Paras. 73 and 74 of WTO document IP/C/M/62, 1 June 2010.

²⁷ WTO document IP/C/5, 30 November 1995; and responses circulated in the IP/N/6/* series of documents.

²⁸ WTO document IP/C/13, 14 May 1998 and its Addendum; and responses circulated in the IP/C/W/117/* series of documents.

²⁹ See checklist in WTO documents IP/C/W/122, 22 December 1998; IP/C/W/273, 5 June 2001 and its Rev.1; and responses circulated in the IP/C/W/125/* series of documents.

6.48. During the review period, Switzerland submitted its revised responses to the Checklists on Enforcement,³⁰ as well as on Geographical Indications.³¹ There were no other submissions. Eight Members notified and updated their contact points for IP enforcement under Article 69.

6.49. Since 1996, 112 Members have submitted their Checklists on Enforcement, and 21 of those have submitted revisions; the Checklist on Geographical Indications has been submitted by only 53 Members, of which 7 notified updates; and the Checklist on Biotech Patenting and Plant Variety Protection has been submitted by 28 Members, and only one has provided an update. Several Members have never provided a Checklist, and many have not updated their reports for over 20 years.³²

Technical cooperation and technology transfer

6.50. The TRIPS Council also agreed that developed Members should provide information on technical cooperation; and, on transfer of technology incentives for the benefit of LDCs. The resulting reports are circulated and reviewed by the TRIPS Council. They provide detailed information on measures taken to implement the provisions of the TRIPS Agreement at the national level. During the review period, Austria notified its Contact Point for Technical Cooperation.³³

³⁰ WTO document IP/N/6/CHE/3, 4 March 2022.

³¹ WTO document IP/C/R/GI/CHE/1, 1 March 2022.

³² Viewed at: <https://e-trips.wto.org/>.

³³ WTO document IP/N/7/AUT/1, 29 September 2022.