WORLD TRADE ORGANIZATION

WT/TPR/OV/27*

20 November 2024

(24-8221)

Page: 1/85

Trade Policy Review Body

OVERVIEW OF DEVELOPMENTS IN THE INTERNATIONAL TRADING ENVIRONMENT

ANNUAL REPORT BY THE DIRECTOR-GENERAL[1]

(Mid-October 2023 to mid-October 2024)

* This document has been republished in English only to correct typographical errors.

[1] This Report covers the period mid-October 2023 to mid-October 2024. 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 arrives during difficult times for global trade. Against a backdrop of geopolitical tensions and more frequent and serious climate change-related crises, there is increasing evidence of inward-looking and unilateral trade policy decisions creating uncertainty for the world economy.

2. During the review period, i.e. from mid-October 2023 to mid-October 2024, the Report shows that the trade covered by new restrictions has increased significantly compared to the last Trade Monitoring Report in November 2023. Even if WTO Members have also continued to introduce wide-ranging measures that liberalize trade, industrial policies and certain other programmes hold the potential to widen existing trade tensions.

3. This Report shows that between mid-October 2023 and mid-October 2024, WTO Members introduced 169 new trade-restrictive and 291 trade-facilitating measures on goods. Most of these measures were import measures. The trade coverage of the trade-restrictive measures was estimated at USD 887.6 billion, up significantly from USD 337.1 billion in the last Report. The trade coverage of the trade-facilitating measures also increased during the review period and was estimated at USD 1,440.4 billion (up from USD 977.2 billion in the last Report). Trade remedy initiations by WTO Members increased during the review period (28.2 per month) compared to the previous review period (16.7). In the area of services, 134 new measures were introduced by WTO Members, most of which were trade-facilitating. Numerous new support measures introduced by governments included climate change-related measures, environmental impact reduction programmes and schemes to support the transition to a low-carbon, more resource-efficient and sustainable economy.

4. The stockpile of import restrictions has grown steadily since 2009. For 2024, the trade covered by import restrictions in force was estimated at USD 2,942 billion, representing 11.8% of world imports. This is up from USD 2,480 billion in the last Report, which was equivalent to 9.9% of world imports.

5. The number of export restrictions by WTO Members has risen since 2020, first in the context of the pandemic and more recently because of the war in Ukraine and the food security crisis. While the review period saw a deceleration in the number of new export restrictions, their trade coverage represented 1.1% of the value of world exports.

6. During the review period several economies announced and implemented trade and trade-related measures citing national security considerations. Preliminary research by the WTO Secretariat suggests that the overall estimated trade coverage of these measures remains limited at around USD 79.6 billion or 0.2% of world trade.

7. Many of the trends identified in this Report constitute challenges to international trade and the wider global economy. At the same time, several of these policy developments represent opportunities for WTO Members to contain and manage trade tensions by collectively updating the WTO rulebook to address contemporary thinking on issues like industrial policy and climate change. Such cooperation would help minimize negative international spillovers from current policies and maximize positive ones.

Specific findings

8. Falling inflation has allowed central banks in advanced economies to start cutting interest rates, which should boost consumption and investment in the second half of 2024 and in 2025, leading to a **gradual recovery of goods trade**. The volume of world merchandise trade is now expected to grow 2.7% in 2024 and 3.0% in 2025, accompanied by world GDP growth at market exchange rates of 2.7% in both years.

9. The current trade forecast has changed only marginally from the April 2024 forecast at the global level, but there have been some important shifts at the regional level. Specifically, Europe is expected to contribute negatively to trade volume growth on both the export and import sides. Meanwhile, Asia will make a larger-than-expected contribution to exports.

10. The US dollar value of world merchandise trade remained flat in the first half of 2024, rising just a fraction of a percent. Commercial services trade continued to outpace merchandise trade, with a strong 7% year-on-year increase in the first half of 2024. The fastest growing segment of merchandise trade was electronics. Meanwhile, financial services and other business services made the largest contribution to services trade.

11. More and more, the WTO is seeing evidence of **trade fragmentation** linked to geopolitical concerns. Trade is increasingly conducted among like-minded economies, a trend accelerated by the war in Ukraine. At the same time, a broader shift towards regionalization or near-shoring at the global level is not yet in evidence.

12. During the review period, WTO Members introduced **169 new trade-restrictive and 291 trade-facilitating measures on goods**, unrelated to the pandemic. Most of these measures were import measures. The trade coverage of the trade-restrictive measures was estimated at USD 887.6 billion, up from USD 337.1 billion in the last Report. The trade coverage of the trade-facilitating measures was estimated at USD 1,440.4 billion (up from USD 977.2 billion in the last Report).

13. The **stockpile of import restrictions** implemented since 2009 has grown steadily. For 2024, the trade covered by import restrictions in force was estimated at USD 2,942 billion, representing 11.8% of world imports (up from USD 2,480 billion or 9.9% of world imports in the last Report).

14. The introduction of new **export restrictions** has increased since 2020, first in the context of the pandemic and then because of the war in Ukraine and the food security crisis. This review period saw a deceleration in the introduction of new export restrictions (with 53 new measures compared to the annual average of more than 110 measures recorded between 2021 and 2023). While fewer export restrictions were introduced, their trade coverage was estimated at USD 276.7 billion, representing 1.1% of the value of world merchandise exports (up from USD 159.1 billion or 0.7% of world exports, in the last Report).

15. The number of export restrictions on food, feed and fertilizers put in place since the outbreak of the war in Ukraine and that are still in place has decreased to 70 according to available information. The trade coverage of those export restrictions was estimated at USD 11.8 billion (down from USD 29.6 billion in the last Report).

16. The average number of **trade remedy** initiations by WTO Members was 28.2 per month during the review period, up from 16.7 in the previous period. This marks the end of the slowdown observed since 2021 in the number of initiations of trade remedy investigations. The monthly average of trade remedy terminations recorded for this period was 9.3, the lowest average recorded since 2015. Trade remedy actions, especially anti-dumping measures, continue to be a central trade policy tool for WTO Members, accounting for 49.5% of trade measures on goods recorded in this Report.

17. **In the services sectors**, WTO Members introduced 134 new measures affecting trade in services were identified, slightly more than the 123 reported in the last Report. A third of these measures introduced could be considered restrictive. More than half of the measures were horizontal policies affecting mode 3 (commercial presence) and mode 4 (movement of natural persons). The remaining measures related to financial services, communications and IT-enabled services and several affected various other services sectors, including distribution, education, health-related, transport tourism, and some selected business services.

18. The review period saw an increase in the introduction of new **general and economic support measures** by WTO Members, echoing findings by the OECD and the IMF of a rise in industrial policies by governments to support strategic industries and sectors. It is difficult to evaluate the impact of these support measures on international trade and competition. Most of these measures mentioned the environment, energy, and agriculture.

19. Over the past 12 months, 3 new **COVID-19 trade-related measures** and 15 terminations of existing measures by WTO Members were recorded on goods. Most of the 461 COVID-19 trade-related measures on goods introduced by WTO Members and Observers since the outbreak of the pandemic, were trade-facilitating (256 or 55.5%). WTO Members continued to phase out the

pandemic-related measures, especially restrictions. As of mid-October 2024, 86.8% of COVID-19 trade restrictions had been repealed, leaving 15 export restrictions and 10 import restrictions in place. The trade coverage of the pandemic-related trade restrictions still in place was estimated at USD 9.7 billion (down from USD 15.6 billion in the previous Report).

20. 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) and to discuss and often resolve their specific trade concerns (STCs) non-litigiously. Food safety was the most frequent objective identified in the regular SPS notifications submitted by WTO Members. Discussions at the SPS Committee continue to advance the work on the MC12 SPS Declaration on Responding to Modern SPS Challenges. Most of the 68 STCs raised in the SPS Committee concerned food safety and animal health/animal diseases. WTO Members have submitted 133 SPS notifications and communications on measures taken in response to the pandemic.

21. 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 194 STCs were discussed during the review period in the TBT Committee. WTO Members have submitted 237 TBT notifications in response to the pandemic since 2020 and referred to the COVID-19 pandemic in 55 STCs.

22. The number of **trade concerns raised** in WTO Committees and bodies continued to increase, in some cases sharply. During the review period, WTO Committees continued to provide forums for addressing trade concerns and allowing trading partners to engage on real or potential areas of friction. Trade-related concerns in the context of trade and industrial policy featured prominently in discussions across committees in the WTO.

23. **In the Committee on Agriculture (CoA),** Members continued to discuss their agricultural policies, within the Committee's Q&A-based review process. Members posed 642 questions on specific implementation matters (SIMs), individual notifications, notification compliance and outcomes achieved in agricultural negotiations. Most of these (84% of questions on notifications and 47% on SIMs) concerned domestic support policies. The war in Ukraine featured prominently in the CoA's discussions. Pursuant to the mandate in paragraph 8 of the Ministerial Declaration on the Emergency Response to Food Insecurity, the CoA adopted at a special meeting the report and recommendations of the work programme targeting the food security concerns of Least-Developed and Net Food-Importing Developing Members.

24. WTO Members continued to fine-tune **their intellectual property (IP)** regimes. During the review period, WTO Members actively engaged in the discussions held during formal and informal meetings of the TRIPS Council, particularly regarding the possible extension of the MC12 TRIPS Decision on COVID-19 Vaccines to diagnostics and therapeutics and the restart of the Review of the Implementation of the TRIPS Agreement.

25. This Report also provides important updates on several other important trade-related developments and discussions, including **fisheries subsidies; e-commerce; Aid for Trade; government procurement; dispute settlement; trade and development; trade facilitation; trade finance; micro, small and medium-sized enterprises (MSMEs); regional trade agreements (RTAs) and trade and environment**.

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. The previous Report was circulated on 23 November 2023.[1]

1.2. This Trade Monitoring Report covers the period from 16 October 2023 to 15 October 2024, unless otherwise indicated.[2] The Report is issued under the sole responsibility of the Director-General and is intended to be 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 pronounce itself on the right of Members to implement trade measures (Box 1.2). The fundamental objective of the Trade Monitoring Reports is to assist in providing transparency across the multilateral trading system regarding the very latest trends and developments in the implementation of a broad range of trade policy measures. The Report includes specific and concise updates on a wide range of substantive WTO activities and provides the latest information on the main indicators of the world economy and on the state of global trade. The regular discussions of the Reports among Members in the TPRB are important opportunities for Members to engage in a peer review of trade policies and they provide important input and perspective to the Trade Monitoring Exercise, including on the coverage and analysis of trade-related issues.

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 Report comes at a time of heightened geopolitical tensions. The war in Ukraine, and the expanding conflict in the Middle East are daily reminders of the crises facing the world. The threats to the flow of trade, including the potential for adverse developments with respect to energy security, are fuelling a general instability of the world economy at large.

1.5. Information on measures included in this Report and its Annexes has been collated from inputs submitted by WTO Members and Observers and from other official and public sources. Overall, responses to the Director-General's request for information and to the subsequent verification request were received from 76 Members (counting the European Union and its member States separately) (Box 1.1), which represents 45.8% of the membership, and covers around 76.9% of world imports. Two Observers also replied to the request for information. Where it has not been possible to verify the information, this is noted in the separate Addendum and its Annexes.

1.6. In 2023, the WTO Secretariat introduced an online platform for submitting and verifying trade measures. The principal objectives of this platform are to increase participation in the Trade Monitoring Exercise and to facilitate the exchange of information between the Secretariat and delegations, particularly during the verification process. In April and September 2023, the Secretariat hosted dedicated information sessions regarding the platform, including the presentation of tutorials to guide Members and Observers through the process of submitting and verifying measures. Overall, the new online platform continues to show that an increasing number of delegations are opting to submit and verify trade measures this way. The online platform remains a work in progress and some features will undergo further modification and improvement in line with the inputs and suggestions of delegations.

[1] WTO document WT/TPR/OV/26, 23 November 2023.

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

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

1.7. Section 2 of this Report provides a brief account of recent economic and trade developments and includes the most recent forecasts for world trade growth. Section 3 presents selected trade and trade-related policy trends for the review period as well as concise updates in several areas of WTO work. Policy developments in trade in services and trade-related aspects of intellectual property rights (TRIPS) are included in Sections 4 and 5, respectively.

1.8. A separate Addendum to this Report contains Annexes with new regular measures recorded during the review period. Measures implemented outside of this period are not included in these Annexes. Information on all regular trade measures recorded since the beginning of the Trade Monitoring Exercise in October 2008 with an indication of their status, as updated by WTO delegations, is available through the Trade Monitoring Database (TMDB).[4]

1.9. The Organization for Economic Cooperation and Development (OECD), the International Trade Centre (ITC), and the Global Trade Alert (GTA) have kindly contributed topical boxes to this Report.

Box 1.1 Participation in the preparation of this Report

1. Albania
2. Argentina
3. Australia
4. Azerbaijan[a]
5. Belize
6. Brazil
7. Cameroon
8. Canada
9. Chile
10. China
11. Colombia
12. Costa Rica
13. Dominican Republic
14. Ecuador
15. Egypt
16. European Union
17. Honduras
18. Hong Kong, China
19. India
20. Indonesia
21. Jamaica
22. Japan
23. Republic of Korea
24. State of Kuwait
25. Macao, China
26. Malaysia
27. Mauritius
28. Mexico
29. Montenegro
30. Morocco
31. Mozambique
32. Myanmar
33. New Zealand
34. Peru
35. Philippines
36. Russian Federation
37. Kingdom of Saudi Arabia
38. Senegal
39. Serbia[a]
40. Seychelles
41. Singapore
42. South Africa
43. Switzerland

[4] WTO, *Trade Monitoring Database*. Viewed at: http://tmdb.wto.org.

44. Chinese Taipei
45. Thailand
46. Türkiye
47. Ukraine
48. United Arab Emirates
49. United Kingdom
50. Bolivarian Republic of Venezuela
51. Viet Nam

a Observer.

Source: WTO Secretariat.

Box 1.2 About the WTO Trade Monitoring Report

Since 2009, the WTO Trade Monitoring Reports have provided Members with regular updates on trade and trade-related developments. Initially conceived to provide the WTO Director-General with regular briefings on the trade implications of the global financial crisis, the WTO trade monitoring effort under the Trade Policy Review Mechanism quickly became a close collaborative exercise with WTO Members and Observers. At the core of this stakeholder relationship sits the verification process, which ensures that any Member or Observer can verify and adjust/rectify the description and coverage of its own trade or trade-related measures before publication. Several TPRM Appraisals since 2009 have confirmed the importance that delegations attach to the verification process and its centrality to ensuring a strong collaboration between the WTO Secretariat and WTO Members and Observers. The ability of the Trade Monitoring Exercise to capture trade and trade-related developments in its regular reports has been highlighted by delegations as a significant contribution towards increased transparency.

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. In line with the overall objectives of the TPRM, information covered in the Trade Monitoring Report carries no legal implication with respect to the conformity of any measure with any WTO Agreement.[a]

The Report aims to shed light on the latest trends in the implementation of a broad range of policy measures that impact the flow of trade and provide an update on the state of the global trading environment. 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 Report also provides in-depth substantive snapshots of trade policy developments in a wide range of WTO bodies. The Trade Monitoring Exercise is the only cross-cutting transparency initiative in the multilateral trading system, and it draws upon Secretariat-wide contributions to ensure that all major developments in each review period are covered concisely.

The Reports categorize trade measures in four Annexes: Annex 1 – Measures Facilitating Trade; Annex 2 – Trade Remedies; Annex 3 – Other Trade and Trade-Related Measures; and Annex 4 – Measures Affecting Trade in Services. Over the years, the regular TPRB meetings dedicated to the Trade Monitoring Report, as well as consultative processes in the context of the TPRM Appraisals, have seen many delegations emphasize the importance of recognizing the specific, and sometimes complex, contexts in which trade measures are implemented. Delegations have provided input and suggestions in connection with Annexes 2 and 3, and it is important to recognize these issues explicitly here.

With respect to trade remedy actions (Annex 2), 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 in another trading partner. The Anti-Dumping Agreement and the Agreement on Subsidies 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 able 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 defence instruments.

The categorization of trade measures under Annex 1 – Measures Facilitating Trade – has rarely created controversy among delegations. Trade measures on goods that do not fall under Annex 1 and are not trade remedies are covered in Annex 3 – Other Trade and Trade-Related Measures. By its title, Annex 3 recognizes the occasional difficulty in unambiguously ascertaining that certain trade measures are restrictive, i.e. impact the flow of trade negatively. Annex 3 remains the repository of measures that are not trade-facilitating and that are generally considered to impact trade flows negatively.

Some delegations have argued that measures listed in Annex 3 and referred to as restrictive in the general findings of the Reports must be considered with care and greater nuance. For instance, some measures imposing restrictions on imports could have been introduced in response to actions taken by others. Although the flow of trade may clearly be reduced in such cases, some delegations argue that it is important to take a more holistic view of the reasons behind the implementation of certain trade measures. Often, such reasons are articulated in the description of the measures, which is either derived from an official source or provided by the relevant delegation during the verification process. The Trade Monitoring Reports do not engage in detailed independent analysis or judgement of the motivation or rationale behind specific trade and trade-related measures.

Sanitary and phytosanitary (SPS) and technical barriers to trade (TBT) measures covered in the Report are not included in either Annex 1 or 3, and therefore they are neither classified nor counted as trade-restrictive or trade-facilitating. In each of the substantive sections covering developments in these two areas, it has been explicitly underlined that an increased number of SPS and TBT notifications does not automatically imply their greater use, but rather enhanced transparency regarding these measures, including through notifications. The Reports clearly emphasize that the SPS and TBT Agreements specifically allow Members to take measures in the pursuit of several legitimate policy objectives.

Several trade and trade-related measures, including sanctions, have been announced or implemented citing national security as an important justification. WTO Members have the authority to restrict trade in goods to protect their essential security interests. During discussions in the TPRB, delegations have reiterated their right to implement such measures and have consistently emphasized that they do not wish for the Trade Monitoring Reports to cover these measures substantively.

The WTO Secretariat strives to ensure that the Trade Monitoring Reports are factual and objective and that they provide a nuanced narrative on developments in the international trading environment. Close collaboration with delegations is instrumental in ensuring that the Trade Monitoring Exercise provides a constructive, factual, and dynamic platform for discussing trends in international trade and trade policy in the TPRB.

Trade Monitoring Reports – Circulation

The vehicle chosen for the Trade Monitoring Reports in 2009 was the WTO document series WT/TPR/OV, also known as "Overview of Developments in the International Trading Environment" – Annual Report by the Director-General, i.e. a document series with roots in Annex 3 of the Marrakesh Agreement establishing the WTO and aimed at assisting the TPRB in its deliberations. In other words, the Trade Monitoring Report is a regular WTO document and not a publication made available through the WTO Publications portal. This is significant when considering and comparing statistics with other WTO publications.

The World Trade Report and the WTO Annual Report are WTO publications prepared and marketed for a wider audience and are circulated through the WTO Publications portal. The Trade Policy Reviews are circulated through the WTO Publications portal and through DocsOnline, i.e. the official documentation portal of the WTO.

Through DocsOnline, the 2022 WTO-wide Trade Monitoring Report and its Annexes were downloaded 4,981 times and the 2023 Report and Annexes 2,181 times.

WTO publications and official documents are also accessible and downloadable through the WTO website. The WTO webpages relative to the publication of the WTO-wide and G20 Trade Monitoring Reports circulated in November/December 2022 were visited 22,565 times in the year following their circulation. The figure for the 2023 Reports was 25,631.[b]

With respect to the WTO Trade Monitoring Database, which provides the platform upon which the Reports are built, the earliest statistics go back to 7 December 2020. Between that date and 7 October 2024, the database has been visited by 34,037 unique visitors for a total of 39,185 times, out of which 11,733 times between 16 October 2023 and 15 October 2024. The top five origins of these visits were China, Switzerland, the United States, the Russian Federation and Türkiye.

a See also paragraphs A and G of Annex 3 to the Marrakesh Agreement.
b These figures do not include the views or visits to the mid-year interim reports, which were circulated in July 2022 and July 2023.

Source: WTO Secretariat statistics from WTO website and DocsOnline.

2 RECENT ECONOMIC AND TRADE DEVELOPMENTS

2.1 Trade volume developments and outlook

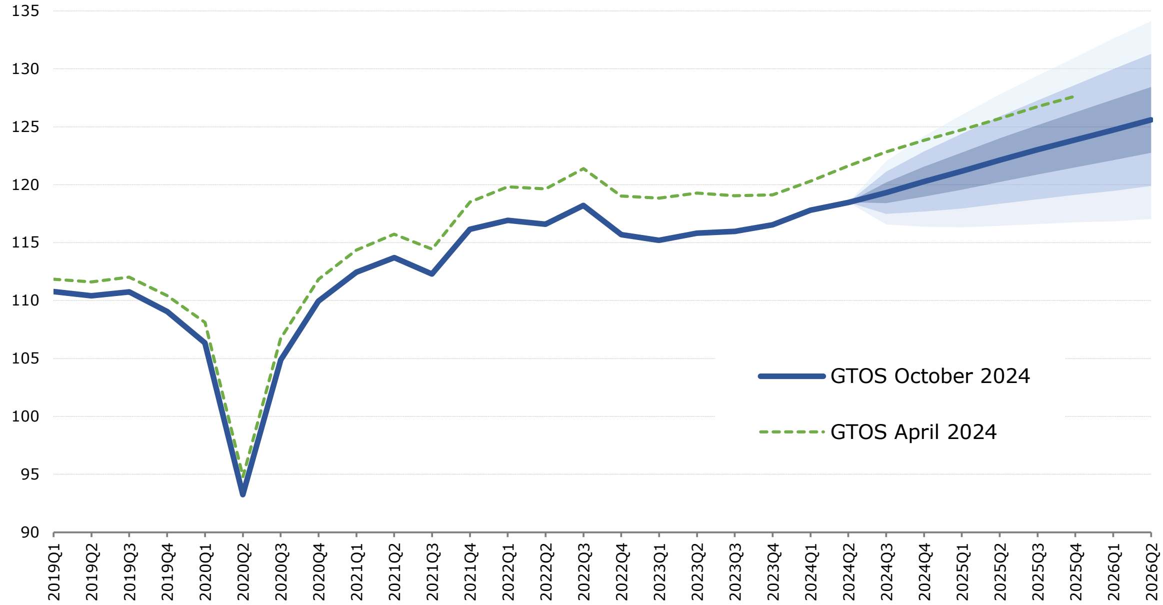
2.1. The volume of world merchandise trade expanded at a moderate pace in the first half of 2024, up 2.3% year-on-year following a 1.1% decline in 2023 that was driven by high inflation, rising interest rates, and the lingering effects of high energy prices. Falling inflation has allowed central banks in advanced economies to start cutting interest rates, which should increase consumption and investment spending and support the gradual recovery of goods trade. WTO economists now expect merchandise trade growth of 2.7% in 2024 and 3.0% in 2025, accompanied by global GDP growth at market exchange rates of 2.7% in both years.[1]

2.2. The current forecast for 2024 represents a small upgrade over the previous estimate of 2.6% from last April, while the forecast for 2025 marks a small downgrade from the previous estimate of 3.3%. Despite minimal changes to the forecast at the global level, there have been some notable shifts at the regional level. Downside risks to the forecast have also intensified, particularly the escalation of the conflict in the Middle East.

2.3. These projections are illustrated by Chart 2.1, which shows quarterly world merchandise trade volume developments and projections through the second quarter of 2026. The shaded region represents an approximate 85% confidence interval around the current forecast while the dotted line represents actual and projected trade volumes from the previous forecast. Developments in Q1 and Q2 were close to the lower end of the range of likely outcomes set out in the April trade forecast, but this was mostly due to historical data revisions.

Chart 2.1 Volume of world merchandise trade, 2019Q1-2024Q4

(Seasonally adjusted volume index, 2015=100)



Note: The shaded region represents a likely range of variation around the current trade forecast.

Sources: WTO-UNCTAD for historical data, WTO estimates for forecast periods. Original source for green broken line: WTO (April 2024), *Global Trade Outlook and Statistics*. Viewed at: https://www.wto.org/english/news_e/news24_e/tfore_10apr24_e.htm. Original source for blue line: WTO (October 2024), *Global Trade Outlook and Statistics Update*. Viewed at: https://www.wto.org/english/news_e/news24_e/stat_10oct24_e.htm.

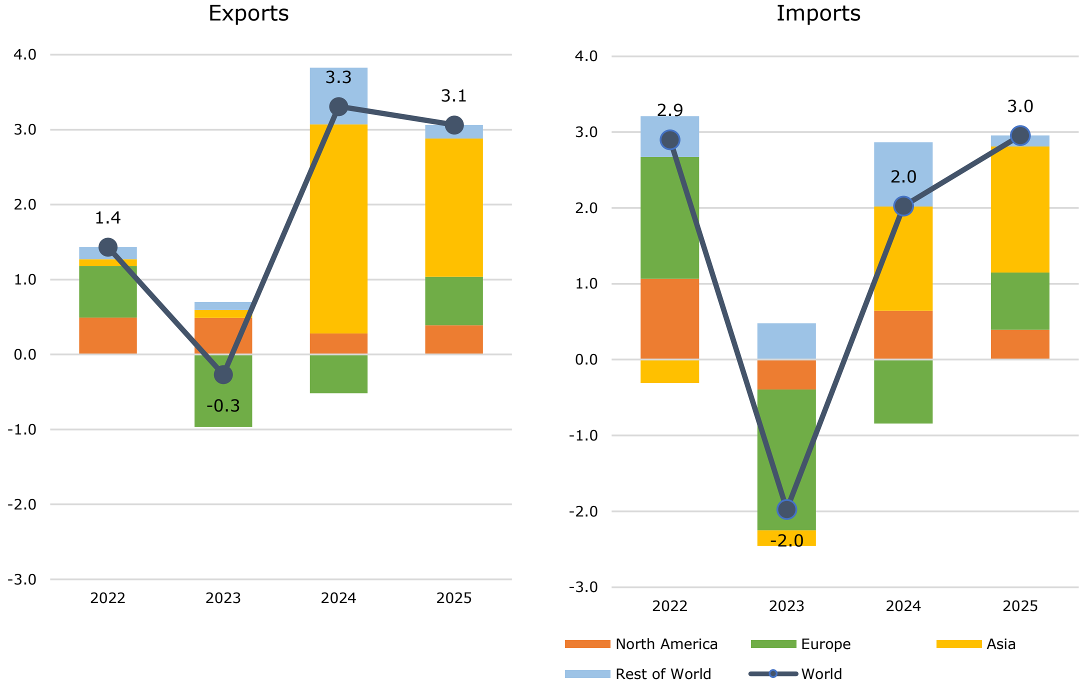
2.4. Two key differences stand out between the current forecast and the previous one. First, trade growth in Europe is expected to be weaker than previously estimated, with negative contributions on both the export and import sides in 2024. Second, stronger-than-anticipated export growth is expected for Asia, which should contribute 2.8 percentage points to projected global growth of 3.3%,

[1] WTO (October 2024), *Global Trade Outlook and Statistics Update*.

more than any other region. Asia is also expected to make the biggest contribution of any region to global import demand, adding 1.4 percentage points to the 2.0% growth foreseen for this year. North America should contribute 0.6 percentage points to import growth in 2024, partly offsetting Europe's negative contribution of -0.8%. Meanwhile, other regions taken together should contribute positively to export and import growth. Regional contributions to global trade growth should stabilize in 2025, more in line with medium-term trends (Chart 2.2).

Chart 2.2 Contributions to world trade volume growth by region, 2022-25

(Annual percentage change)



Sources: WTO-UNCTAD for historical data, WTO estimates for forecast periods. Viewed at: Annual trade volume growth figures downloadable from stats.wto.org. Originally published in: WTO (October 2024), *Global Trade Outlook and Statistics Update*. Viewed at: https://www.wto.org/english/news_e/news24_e/stat_10oct24_e.htm.

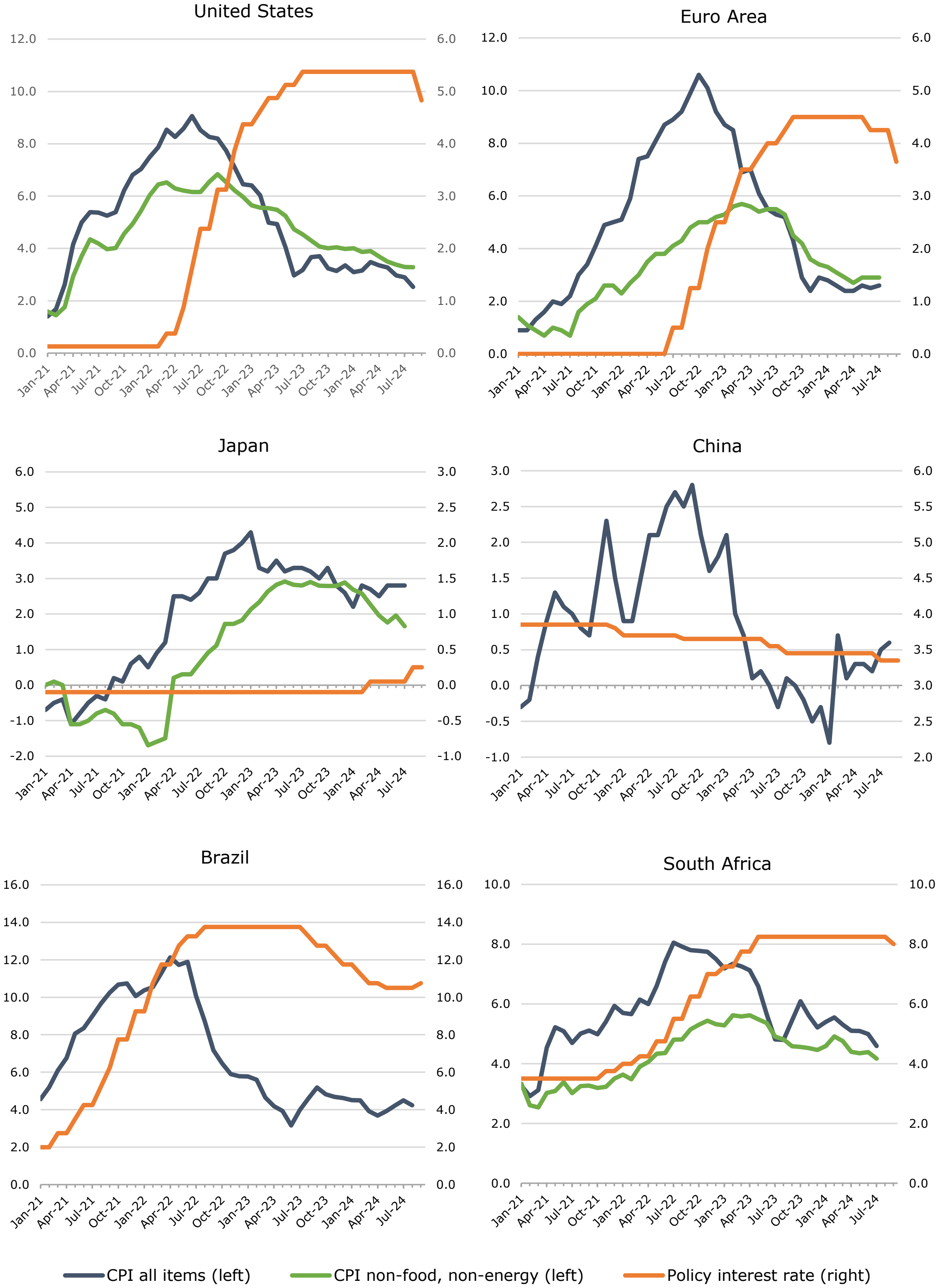
2.5. The global economy continues to improve, although notable differences in economic performance persist across countries and regions. In recent months, major economies, including United States, European Union and South Africa, have cut interest rates as inflationary pressures have eased (Chart 2.3). China has introduced a range of significant stimulus measures to counter weak domestic demand, including interest rate cuts and reductions in reserve requirements for banks. Japan and Brazil stand out as exceptions to this trend, with both raising interest rates due to persistent inflation.

2.6. Table 2.1 summarizes the current WTO trade forecast. If current assumptions hold, world trade will increase by 2.7% in 2024, slightly above the previous forecast of 2.6%. Asia's exports will grow faster than those of any other region, rising 7.4%. On the import side, the fastest growing region will be the Middle East, up 9.0%. Europe will record the worst trade performance of any region, with exports and imports contracting by 1.4% and 2.3%, respectively. The current forecast is premised on world GDP growth of 2.7% in 2024, with growth fastest in Asia (4.0%) and slowest in Europe (1.1%).

2.7. Merchandise exports of least-developed countries (LDCs) are projected to increase by 1.8% in 2024, marking a slowdown from 4.6% in 2023. Meanwhile, LDC imports are forecast to grow 5.9% this year. These forecasts are underpinned by GDP growth of 4.3% for LDCs in 2024. Global trade and output growth in 2025 should be more in line with medium-run trends, with Europe again making a positive contribution to trade for the first time in two years.

Chart 2.3 Inflation and interest rates in selected economies, January 2021-September 2024

(Year-on-year % change)



Source: OECD Data Explorer for CPI, BIS Central bank policy rates database for interest rates. Viewed at: [OECD Data Explorer • Consumer price indices (CPIs, HICPs), COICOP 1999](); and https://data.bis.org/topics/CBPOL. WTO (October 2024), *Global Trade Outlook and Statistics Update*. Viewed at: https://www.wto.org/english/news_e/news24_e/stat_10oct24_e.htm.

Table 2.1 Merchandise trade volume and GDP growth, 2020-25[a]

(Annual % change)

	2020	2021	2022	2023	2024	2025
World merchandise trade volume[b]	-5.3	9.0	2.2	-1.1	2.7	3.0
Exports						
North America	-9.2	6.4	3.9	3.7	2.1	2.9
South America[c]	-5.0	6.7	3.0	2.3	4.6	-0.1
Europe	-8.5	6.9	1.8	-2.6	-1.4	1.8
CIS[d]	-1.1	-0.8	-1.9	-4.5	4.5	1.7
Africa	-7.2	3.8	-2.5	4.3	2.5	2.2
Middle East	-6.4	-1.6	3.8	1.1	4.7	1.0
Asia	0.6	13.1	0.2	0.3	7.4	4.7
Imports						
North America	-5.2	11.9	5.7	-2.0	3.3	2.0
South America[c]	-9.9	24.9	4.1	-4.5	5.6	1.7
Europe	-8.2	7.5	4.4	-5.0	-2.3	2.2
CIS[d]	-5.2	9.4	-5.7	17.9	1.1	1.7
Africa	-13.9	5.8	6.5	0.1	1.0	1.1
Middle East	-8.7	12.9	10.5	8.5	9.0	-1.1
Asia	-1.0	10.3	-1.0	-0.7	4.3	5.1
World GDP at market exchange rates	-2.9	6.3	3.1	2.7	2.7	2.7
North America	-2.8	5.7	2.1	2.4	2.4	1.6
South America[c]	-6.3	7.7	4.1	1.8	1.8	2.9
Europe	-5.8	6.6	3.5	0.7	1.1	1.6
CIS[d]	-2.4	5.7	0.1	3.9	3.8	1.9
Africa	-2.4	4.7	3.8	3.1	3.3	3.9
Middle East	-3.5	4.4	6.1	1.4	1.9	3.7
Asia	-0.7	6.7	3.3	4.3	4.0	4.0
Memo: Least Developed Countries (LDCs)						
Volume of merchandise exports	-1.5	-2.2	-0.6	4.6	1.8	3.7
Volume of merchandise imports	-8.4	6.5	0.2	-4.8	5.9	5.6
Real GDP at market exchange rates	0.1	3.3	4.2	3.3	4.3	4.7

a Figures for 2024 and 2025 are projections.
b Average of exports and imports.
c South and Central America and the Caribbean.
d Commonwealth of Independent States, including certain associate and former member States.

Source: WTO for trade, consensus estimates for GDP.

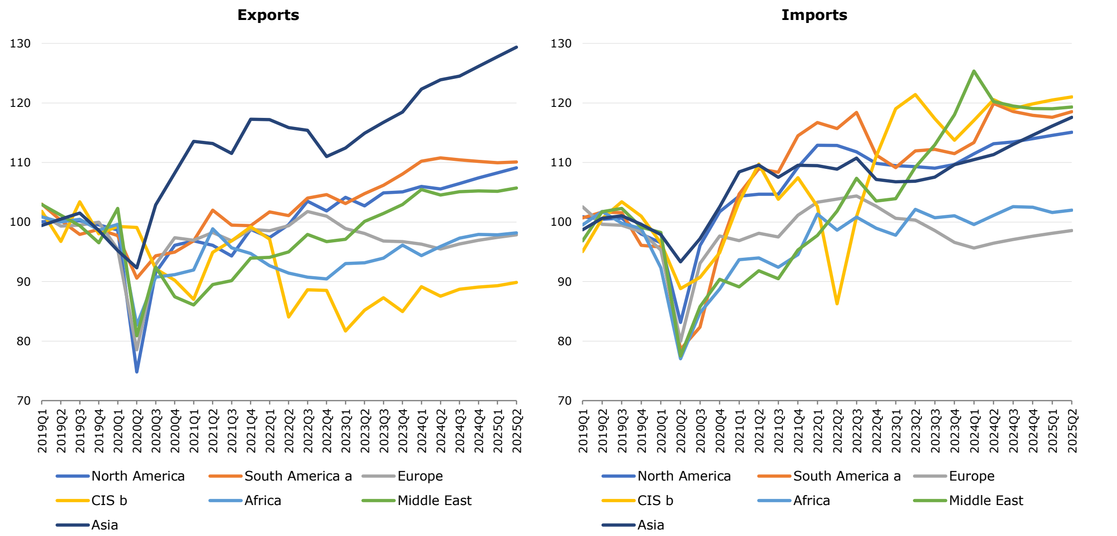
2.8. Regional trade volume developments and projections through the second quarter of 2025 are shown in Chart 2.4. If the forecast is realized, by Q2 of 2025 Asian exports will have risen 29.4% compared to 2019, followed by South America (10.1%), North America (9.1%) and the Middle East (5.7%). Meanwhile, exports are expected to decline in Africa (-1.8%), Europe (-2.1%) and the CIS[2] region (-10.1%).

[2] Commonwealth of Independent States, including certain associate and former member States.

2.9. The CIS[3] region is expected to see the largest increase on the import side, up 21.0% over the same period, followed by the Middle East (19.3%), South America (18.5%), Asia (17.6%), North America (15.1%) and Africa (2.0%). Europe should be the only region to experience an outright decline over this period (-1.4%).

Chart 2.4 Merchandise exports and imports by region, 2019Q1-2025Q2

(Volume index, 2019=100)



a South and Central America and the Caribbean.
b Commonwealth of Independent States, including certain associate and former member States.

Sources: WTO-UNCTAD for historical data, WTO estimates for forecast periods. Originally published in: WTO (October 2024), *Global Trade Outlook and Statistics Update*. Viewed at: https://www.wto.org/english/news_e/news24_e/stat_10oct24_e.htm.

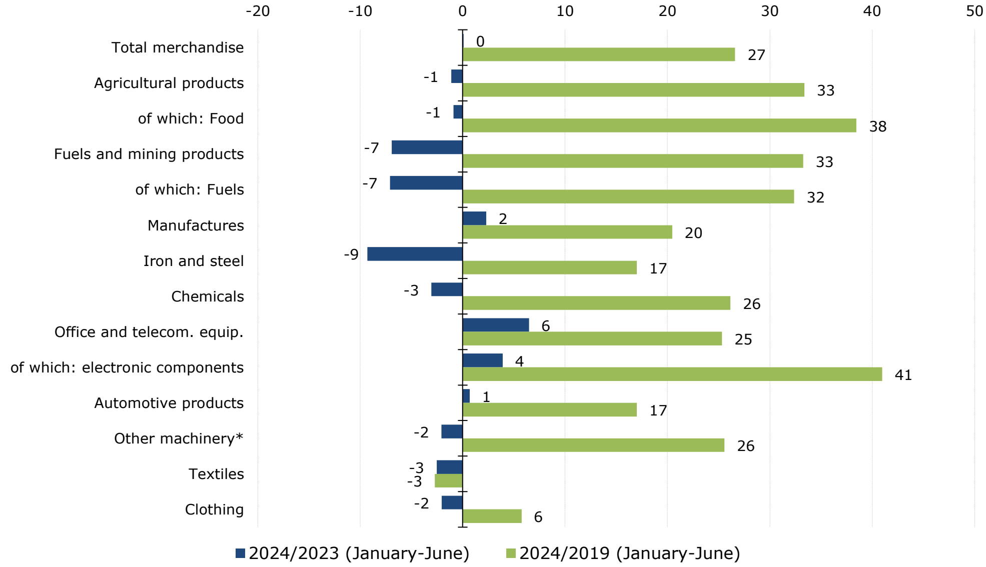
2.2 Trade development in value terms

2.10. Chart 2.5 shows year-on-year growth in the US dollar value of merchandise and commercial services trade in the first half of 2024. Merchandise trade was basically flat, up a fraction of a percent. The value of trade in primary products was down, mostly due to falling commodity prices, while trade in manufactures was up 2%, led by office and telecom equipment which was up 7%.

[3] Commonwealth of Independent States, including certain associate and former member States.

Chart 2.5 Year-on-year merchandise trade growth by product, 2024 (January-June)

(% change in USD values)

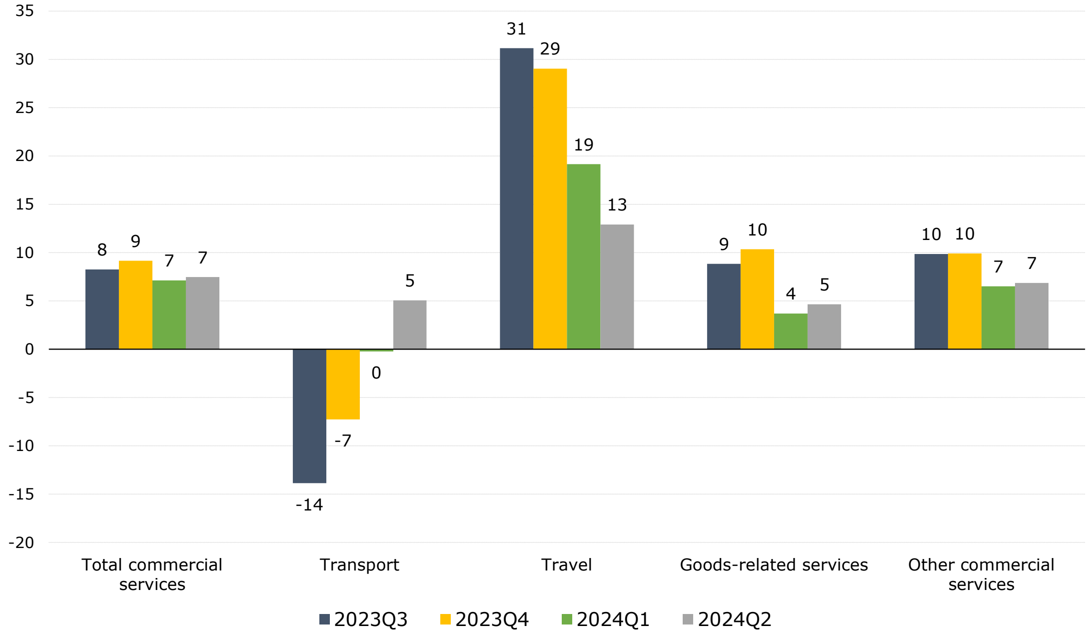


*	Includes electrical machinery, non-electrical machinery and power generating equipment.
Source:	WTO-UNCTAD for total merchandise trade, WTO estimates based on mirror data for product categories. Quarterly figures for total merchandise trade volume can be downloaded from stats.wto.org. Mirror estimates for products are based on national customs statistics for 107 economies compiled by Trade Data Monitor LLC. Viewed at: Trade Data Monitor - Global Trade Data Statistics Supplier. Originally published in: WTO (October 2024), Global Trade Outlook and Statistics Update. Viewed at: https://www.wto.org/english/news_e/news24_e/stat_10oct24_e.htm.

2.11. In contrast to merchandise, commercial services trade was up 7% in the first half of 2024 (Chart 2.6). Growth was driven by the category of other commercial services (including financial and business services), which also rose 8%. Travel services grew faster, but made a smaller contribution to overall growth due to its smaller size compared to other commercial services.

Chart 2.6 Year-on-year growth in world commercial services trade, 2023Q3-2024Q2

(% change in USD values)

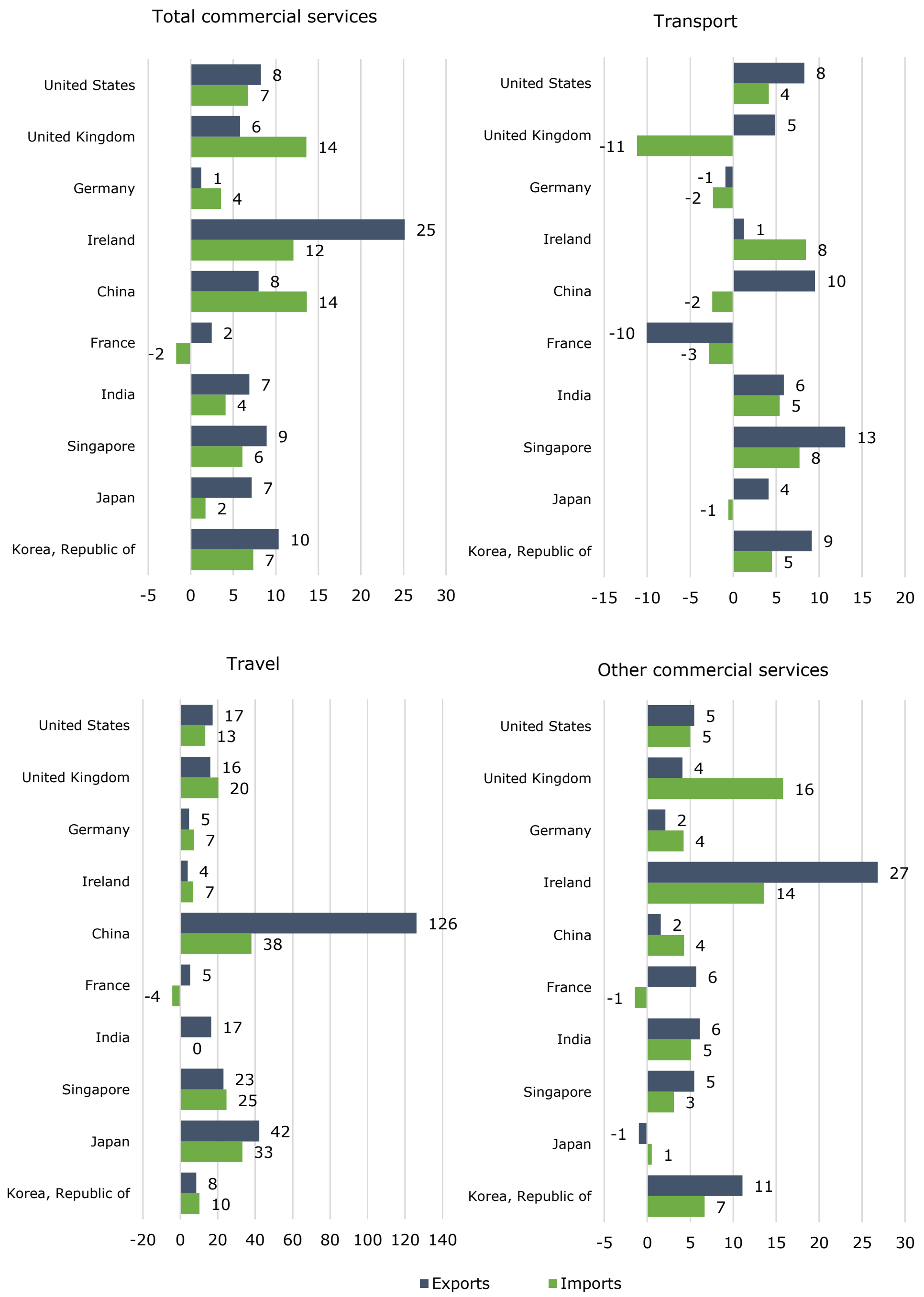


Source:	WTO estimates based on quarterly WTO-UNCTAD commercial services trade statistics. Statistics for individual countries are downloadable from stats.wto.org.

2.12. Chart 2.7 shows growth in commercial services trade by sector for selected economies in the first half of 2024. Most leading services traders experienced positive year-on-year growth in both exports and imports during this period, except for France, which registered a 2% decline in imports. Meanwhile, Germany's exports only grew 1%, partly due to a 1% decline in transport services.

Chart 2.7 Commercial services trade growth of selected economies by sector in the first half of 2024

(Year-on-year % change)



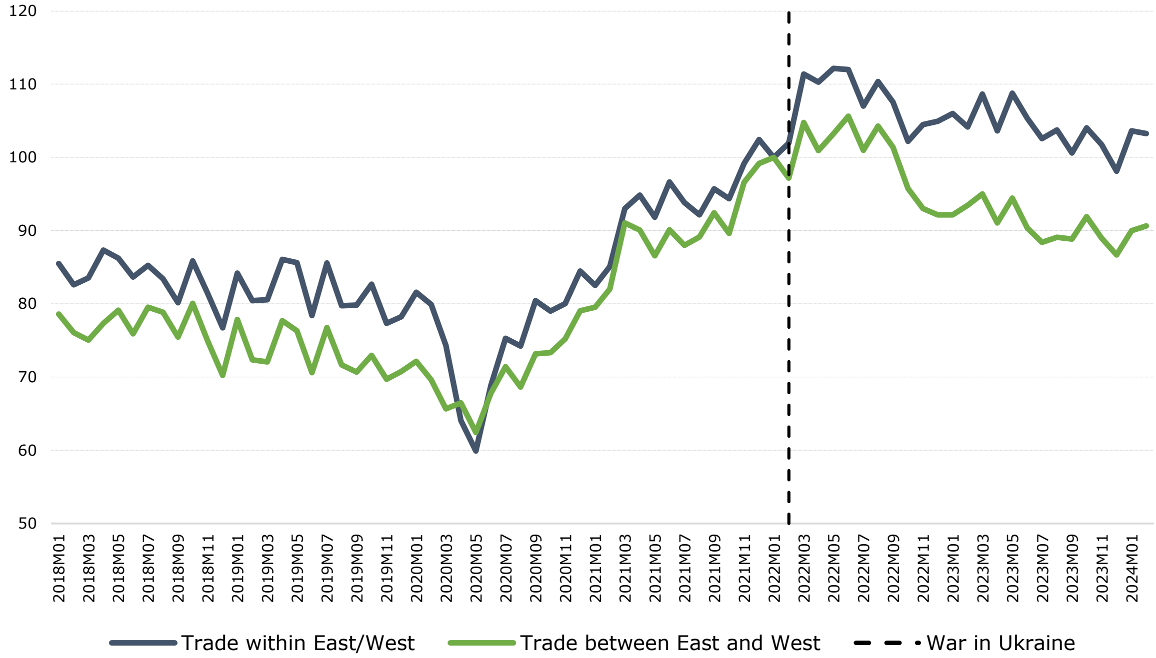
Source: National customs statistics compiled by Trade Data Monitor LLC. Trade Data Monitor–Global Trade Data Statistics Supplier. Originally published in: WTO (October 2024), *Global Trade Outlook and Statistics Update*. Viewed at: https://www.wto.org/english/news_e/news24_e/stat_10oct24_e.htm.

2.3 Evidence of fragmentation

2.13. Returning to merchandise trade, the WTO is seeing more evidence of trade fragmentation driven by geopolitical considerations (Chart 2.8). Trade is increasingly conducted among like-minded countries, with trade between hypothetical trading blocs defined by UN voting patterns growing 4% slower than within-bloc trade since the start of the war in Ukraine. However, a broader shift towards regionalization or near-shoring on a global scale is yet to be observed.

Chart 2.8 Trade within and between hypothetical geopolitical blocs, January 2018-February 2024

(Seasonally-adjusted indices, January 2022=100)



Note: Data are seasonally adjusted. The Russian Federation, Belarus, and Ukraine are excluded due to lack of data.

Source M. Blanga-Gubbay and S. Rubínová, (2023) "Foreign Direct Investment, Trade and Economic Development: An Overview", WTO Staff Working Paper: Policy ERSD-2023-11, 12 December. Viewed at: https://www.wto.org/english/res_e/reser_e/ersd202311_e.pdf; and WTO (October 2024), *Global Trade Outlook and Statistics Update*. Viewed at: https://www.wto.org/english/res_e/booksp_e/stat_10oct24_e.pdf.

3 TRADE AND TRADE-RELATED POLICY DEVELOPMENTS

3.1 Overview of trends identified during the review period

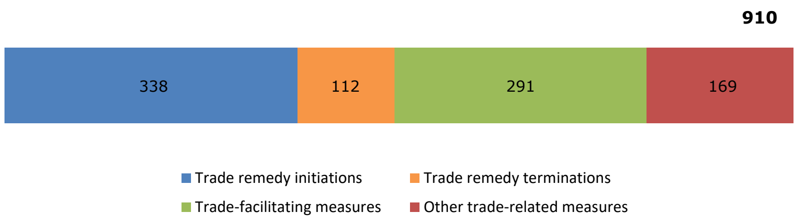
3.1. This Section analyses selected trade and trade-related policy developments in the area of goods during the period from mid-October 2023 to mid-October 2024. It is divided into three parts. Section 3.1.1 looks at regular, i.e. non-COVID-19-related measures implemented during the review period, including 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 Section 3.1.1. The third part, in Section 3.1.3, provides recent developments on food, feed, and fertilizers.

3.2. A separate Addendum 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 2023 to 15 October 2024, in the area of trade in goods.[1] Services measures are analysed in Section 4 of this Report and are listed in Annex 4 of the Addendum. This separate Addendum lists new regular (non-COVID-19-related) measures recorded during the review period.

3.1.1 Regular trade measures

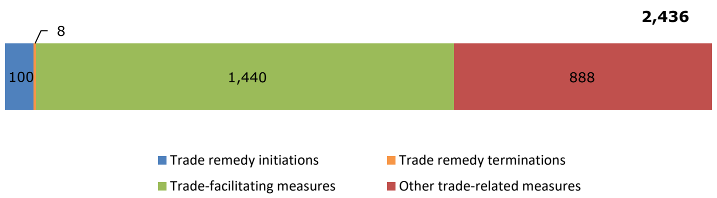
3.3. A total of 910 trade measures were recorded for WTO Members and Observers during the review period (Chart 3.1). This figure includes measures facilitating trade, trade remedy measures and other trade and trade-related measures. Chart 3.2 illustrates the trade coverage[2] of the measures recorded for WTO Members and Observers during the review period. These figures include measures on food, feed, and fertilizers.

Chart 3.1 Number of measures introduced between mid-October 2023 and mid-October 2024



Source: WTO Secretariat.

Chart 3.2 Trade coverage of import and export measures introduced between mid-October 2023 and mid-October 2024 in USD billion



Note: Values are rounded. Trade-facilitating and trade-restrictive measures cover import and export-facilitating measures.

Source: WTO Secretariat.

[1] WTO document WT/TPR/OV/27/Add.1, 20 November 2024. These Annexes do not include SPS and TBT measures, which are covered in Sections 3.3 and 3.4.

[2] 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 2023 merchandise trade, when available. For several countries, including Algeria, Angola, Bangladesh, Belarus, Cameroon, Cuba, Honduras, the Islamic Republic of Iran, Iraq, the Republic of Korea, Lesotho, Mongolia, Nepal, the Russian Federation, Rwanda, Sudan, Tajikistan, Uganda, and Viet Nam, the most recent year available was used for the calculations.

Measures facilitating trade

3.4. During the review period, 291 new trade-facilitating measures were recorded for WTO Members and Observers.[3] This represents 32.0% of the total number of measures recorded.

3.5. Most of the trade-facilitating measures were on the import side (236 measures or 81.1%). The reduction or elimination of import tariffs made up the bulk of trade-facilitating measures, followed by simplification of import procedures and the elimination or simplification of import and export quantitative restrictions (QRs). The monthly average of 24.3 facilitating measures recorded for the period was the fifth highest since 2015 (Table 3.1).

Table 3.1 Measures facilitating trade (Annex 1), 2015 to mid-October 2024

Type of measure	2015	2016	2017	2018	2019	2020	2021	2022	2023	Mid-Oct 22 to mid-Oct 23 (WT/TPR/OV/26)	Mid-Oct 23 to mid-Oct 24 (WT/TPR/OV/27)
Import	**240**	**156**	**128**	**158**	**111**	**125**	**162**	**356**	**266**	**262**	**236**
- Tariff	177	117	99	121	95	105	131	286	168	175	128
- Customs procedures	39	30	21	17	4	3	10	23	27	17	41
- Tax	11	6	4	7	7	10	9	7	9	7	20
- QRs	7	1	3	4	3	7	9	35	47	49	35
- Other	6	2	1	9	2	0	3	5	15	14	12
Export	**47**	**42**	**27**	**23**	**18**	**18**	**29**	**90**	**69**	**74**	**53**
- Duties	17	9	2	7	11	9	12	25	8	8	7
- QRs	7	7	5	2	3	3	14	55	47	46	35
- Other	23	26	20	14	4	6	3	10	14	20	11
Other	**4**	**6**	**1**	**2**	**1**	**1**	**5**	**2**	**1**	**2**	**2**
Total	**291**	**204**	**156**	**183**	**130**	**144**	**196**	**448**	**336**	**338**	**291**
Average per month	*24.3*	*17.0*	*13.0*	*15.3*	*10.8*	*12.0*	*16.3*	*37.3*	*28.0*	*28.2*	*24.3*

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

Source: WTO Secretariat.

3.6. The trade coverage of the import-facilitating measures introduced during the review period was estimated at USD 1,320.4 billion, i.e. 5.30% of the value of world merchandise imports, up from USD 955.0 billion in the last annual Report (Table 3.2 and Chart 3.3).

3.7. Based on trade coverage, the HS Chapters within which most of the import-facilitating measures were taken include mineral fuels and oils (HS 27) (19.2%), electrical machinery and parts thereof (HS 85) (10.9%), precious or semi-precious stones and metals (HS 71) (9.2%), and machinery and mechanical appliances (HS 84) (8.2%).

Table 3.2 Share of trade covered by import-facilitating measures, mid-October 2015 to mid-October 2024

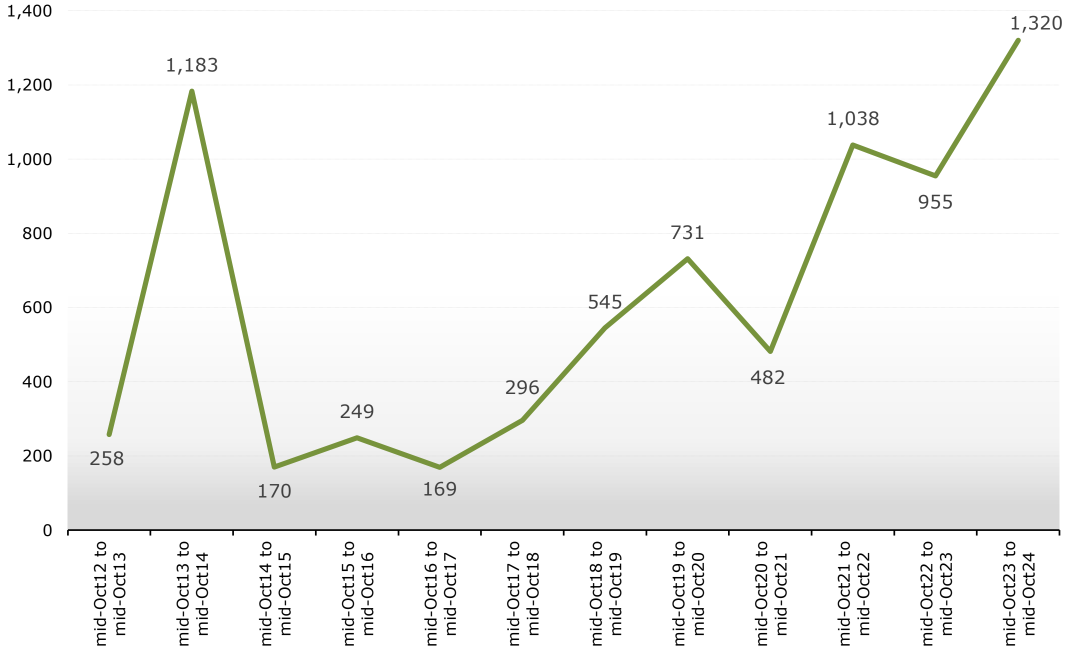
(%)

	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	Mid-Oct 22 to mid-Oct 23	Mid-Oct 23 to mid-Oct 24
Share in total world imports	1.51	1.07	1.68	2.80	3.88	2.74	4.72	3.80	5.30

Source: WTO Secretariat and UN Comtrade database.

[3] This figure also includes measures taken in response to the war in Ukraine and terminations of restrictive measures that were implemented during the review period.

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.

3.8. The trade coverage of the export-facilitating measures introduced during the review period was estimated at 120.0 billion, i.e. 0.49% of world merchandise exports up from USD 22.2 billion in the last Report. Most export-facilitating measures were taken on vehicles and parts thereof (HS 87) (80.7%), in terms of trade coverage.

3.9. Overall, the trade coverage of the import- and export-facilitating measures introduced during the review period was estimated at USD 1,440.4 billion (up from USD 977.2 billion in the last Report).

Trade remedy actions

3.10. During the review period, 450 trade remedy actions (338 initiations and 112 terminations) were recorded for WTO Members and Observers (Annex 2 of the Addendum), accounting for 49.5% of all trade-related measures covered in this Report. Anti-dumping continued to be the most frequent trade remedy action, accounting for 78.7% of all initiations and 92.0% of all terminations.

3.11. The average number of trade remedy initiations was 28.2 per month during the review period, up from 16.7 in the previous review period, but lower than the peak reached in 2020 (36.1). The monthly average of trade remedy terminations recorded was 9.3, the lowest since 2015 (Table 3.3 and Chart 3.4).

3.12. The trade coverage of all trade remedy investigations initiated during the review period was estimated at USD 100.0 billion, i.e. 0.40% of world imports (up from USD 24.6 billion in last Report). For terminations, the trade coverage was valued at USD 7.6 billion, i.e. 0.03% of world imports, down from USD 15.5 billion in the last Report (Table 3.4).

Table 3.3 Number of trade remedy actions (Annex 2), 2015 to mid-October 2024

Type of measure	2015	2016	2017	2018	2019	2020	2021	2022	2023	Mid-Oct 22 to mid-Oct 23 (WT/TPR/OV/26)	Mid-Oct 23 to mid-Oct 24 (WT/TPR/OV/27)
Initiations	**277**	**343**	**298**	**273**	**281**	**433**	**214**	**112**	**230**	**200**	**338**
- AD	229	298	249	202	215	355	186	89	191	173	266
- CVD	31	34	41	55	36	56	18	19	27	19	56
- SG	17	11	8	16	30	22	10	4	12	8	16
Average per month	*23.1*	*28.6*	*24.8*	*22.8*	*23.4*	*36.1*	*17.8*	*9.3*	*19.2*	*16.7*	*28.2*
Terminations	**212**	**171**	**158**	**223**	**185**	**214**	**301**	**237**	**133**	**131**	**112**
- AD	167	141	129	198	167	182	257	202	110	121	103
- CVD	25	15	12	25	8	13	23	24	9	8	5
- SG[a]	20	15	17	0	10	19	21	11	14	2	4
Average per month	*17.7*	*14.3*	*13.2*	*18.6*	*15.4*	*17.8*	*25.1*	*19.8*	*11.1*	*10.9*	*9.3*

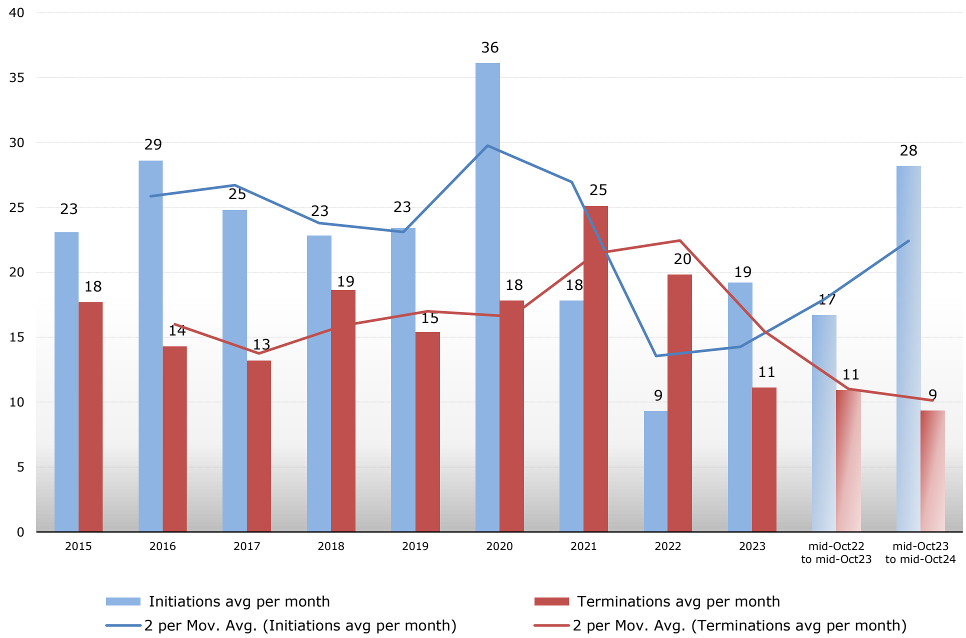
a The figure for a specific year is the sum of the following: (i) all ongoing investigations terminated during the course of that specific year, normally as of late October, without any measure; and (ii) all imposed measures expired during the course of that specific year, normally as of late October.

Note: The information on trade remedy actions for 2015 to 2023 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.

Source: WTO Secretariat.

3.13. Trade remedy actions taken during the review period, in terms of trade coverage, mainly included initiations of investigations on electrical machinery and parts thereof (HS 85) (18.3%) and iron and steel (HS 72) (10.7%).

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



Note: Values are rounded. The blue and red lines show the average of the last two periods (2 period moving average).

Source: WTO Secretariat.

Table 3.4 Share of trade covered by trade remedy initiations, mid-October 2015 to mid-October 2024

(%)

	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	Mid-Oct 22 to mid-Oct 23	Mid-Oct 23 to mid-Oct 24
Share in total world imports	0.55	0.48	0.53	0.24	0.36	0.15	0.04	0.10	0.40

Source: WTO Secretariat and UN Comtrade database.

Other trade and trade-related measures

3.14. A total of 169 other trade and trade-related measures, i.e. other than trade-facilitating or trade remedy measures, were recorded during the review period for WTO Members and Observers. These measures could be considered to have a restrictive impact on trade. Most of these measures were import measures (116 or 68.6%), reversing the recent trend of export restrictions outpacing import restrictions (Table 3.5).

3.15. Import restrictions consisted mainly of increases of import tariffs, followed by imposition of quantitative restrictions and stricter customs procedures. Export restrictions mainly included quantitative restrictions. The average of trade-restrictive measures per month was 14.1, down from 18.7 in the previous review period.

Table 3.5 Other trade and trade-related measures, 2015 to mid-October 2024

Type of measure	2015	2016	2017	2018	2019	2020	2021	2022	2023	Mid-Oct 22 to mid-Oct 23 (WT/TPR/OV/26)	Mid-Oct 23 to mid-Oct 24 (WT/TPR/OV/27)
Import	**167**	**102**	**87**	**110**	**78**	**74**	**76**	**79**	**126**	**109**	**116**
- Tariff	105	63	46	64	41	39	35	44	54	44	58
- Customs procedures	33	18	21	7	9	11	24	12	36	31	24
- Tax	10	7	9	13	6	6	5	0	2	1	4
- QRs	13	13	9	17	17	12	10	17	25	24	26
- Other	6	1	2	9	5	6	2	6	9	9	4
Export	**44**	**21**	**19**	**17**	**23**	**30**	**73**	**154**	**107**	**114**	**53**
- Duties	13	6	4	8	7	5	14	16	16	17	4
- QRs	7	10	8	4	4	11	27	111	64	69	40
- Other	24	5	7	5	12	14	32	27	27	28	9
Other	**12**	**10**	**11**	**0**	**1**	**0**	**3**	**0**	**1**	**1**	**0**
- Local content	12	6	9	0	1	0	3	0	0	0	0
- Other	0	4	2	0	0	0	0	0	1	1	0
Total	**223**	**133**	**117**	**127**	**102**	**104**	**152**	**233**	**234**	**224**	**169**
Average per month	*18.6*	*11.1*	*9.8*	*10.6*	*8.5*	*8.7*	*12.7*	*19.4*	*19.5*	*18.7*	*14.1*

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

Source: WTO Secretariat.

3.16. The trade coverage of the import-restrictive measures implemented during the review period was estimated at USD 610.8 billion, i.e. 2.45% of the value of world merchandise imports, up from USD 178.0 billion in last annual Report (Table 3.6 and Chart 3.5).

Table 3.6 Share of trade covered by import-restrictive measures, mid-October 2015 to mid-October 2024

(%)

	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	Mid-Oct 22 to mid-Oct 23	Mid-Oct 23 to mid-Oct 24
Share in total world imports	0.62	0.50	3.33	3.84	2.40	0.60	0.74	0.71	2.45

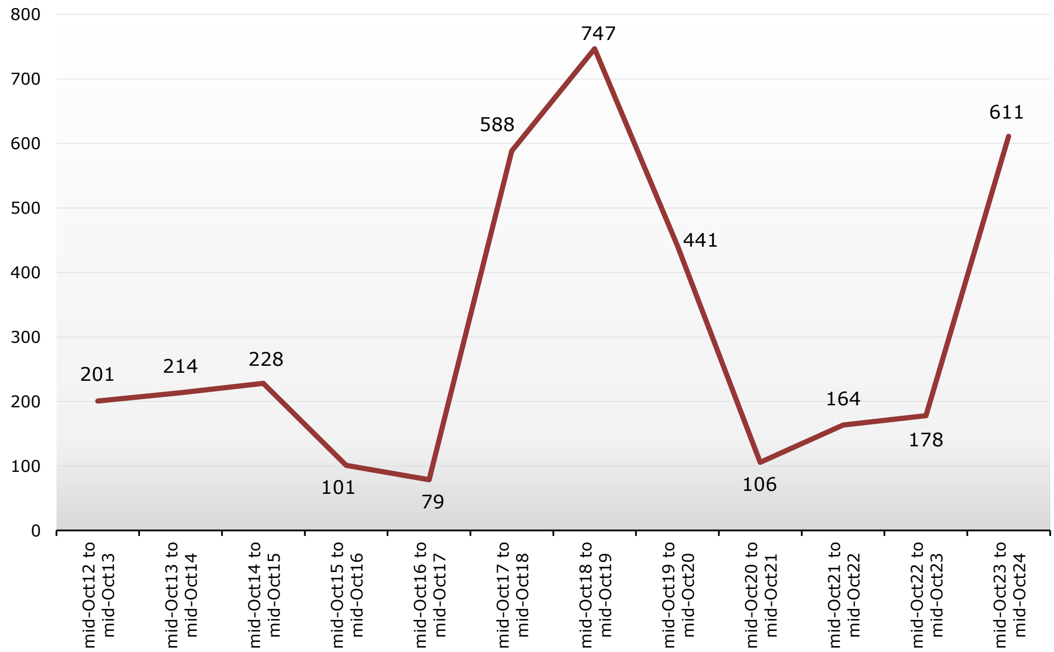
Source: WTO Secretariat and UN Comtrade database.

3.17. The import-restrictive measures recorded during the review period cover a range of products. The main sectors affected, in terms of trade coverage, were mineral fuels and oils (HS 27) (18.5%), machinery and mechanical appliances (HS 84) (13.7%), motor vehicles including parts and accessories thereof (HS 87) (11.9%), and electrical machinery and parts thereof (HS 85) (8.5%).

3.18. The trade coverage of the export-restrictive measures implemented during the review period was estimated at USD 276.7 billion, i.e. 1.12% of the value of world merchandise exports, up from USD 159.1 billion in last Report. These export-restrictive measures cover a range of products. The main sectors (HS Chapters) affected, in terms of trade coverage, included motor vehicles including parts and accessories thereof (HS 87) (40.7%), mineral fuels and oils (HS 27) (20.0%), and pharmaceutical products (HS 30) (11.7%).

3.19. Overall, the trade coverage of the import- and export-restrictive measures implemented during the review period was estimated at USD 887.6 billion, up from USD 337.1 billion in the last Report.

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

3.20. 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. In addition, the Secretariat does not always receive information on changes to recorded measures. In 2024, the Secretariat shared with all WTO Members the trade measures relating to goods recorded for each delegation in the TMDB since 2009 and requested updated information on the measures, including termination dates. As a result of that exercise, and the constructive cooperation of a large number of WTO Members, many measures have been updated and termination dates included. The figures below are estimates based on the latest available information recorded in the TMDB since 2009. These estimates are also conditioned by the availability of termination dates of the import-restrictive measures and of the HS codes of products covered.[4]

3.21. The stockpile of import restrictions in force has grown steadily since 2009 – in value terms and as a percentage of world imports. Table 3.7 shows this trend since 2015. Chart 3.6 goes back to the beginning of the WTO trade monitoring exercise in 2009. Global imports decreased substantially in 2020 compared to 2019 and in 2023 compared to 2022.

Table 3.7 Cumulative trade coverage of import-restrictive measures, 2015-23

(USD billion, unless otherwise indicated)

	2015	2016	2017	2018	2019	2020	2021	2022	2023
Total imports (world)	**16,410**	**15,875**	**17,578**	**19,483**	**20,233**	**18,546**	**22,504**	**26,711**	**24,890**
Total import restrictions in force	**531**	**496**	**736**	**1,383**	**1,550**	**1,427**	**1,992**	**2,280**	**2,610**
Share in world imports (%)	3.24	3.12	4.18	7.10	7.66	7.69	8.85	8.53	10.48
Total import restrictions terminated	15.5	44.2	29.5	5.7	37.3	8.0	32.9	82.3	47.3
Share in world imports (%)	0.09	0.28	0.17	0.03	0.18	0.04	0.15	0.31	0.19

Note: 2022 to 2024 trade coverage estimates are provisional and subject to changes based on the continuous updates to UN Comtrade data. The 2024 estimate is based on import-restrictive measures up to 15 October 2024. Trade coverage estimates for a given year are calculated based on merchandise imports of that year, when available.

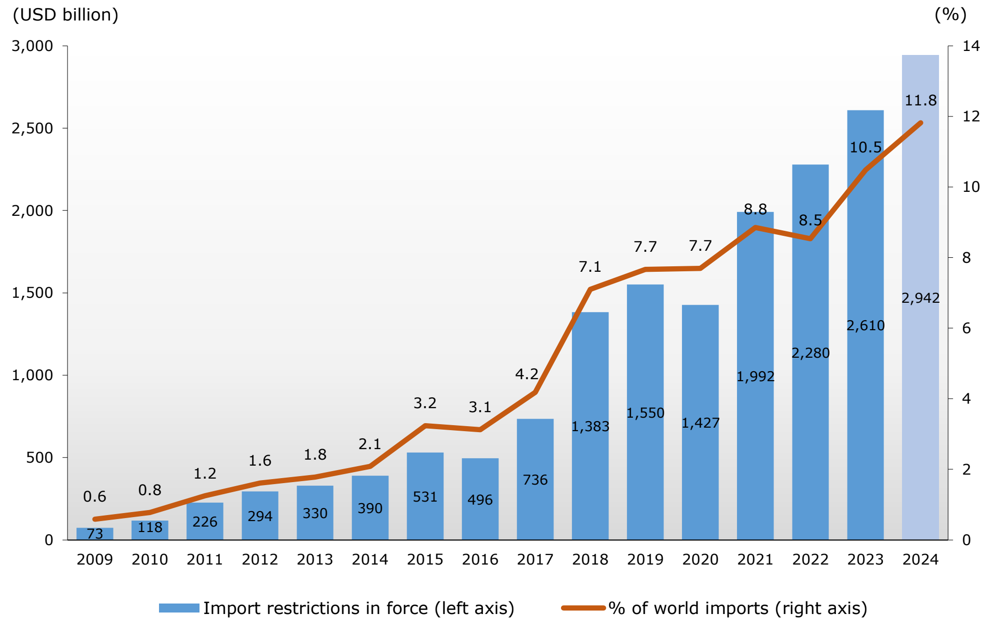
Source: WTO Secretariat calculations, based on UN Comtrade database and data provided by the authorities.

3.22. According to preliminary estimates, the trade covered by import restrictions in force for 2024, was estimated at USD 2,942 billion[5], representing 11.8% of world imports (Chart 3.6).

[4] Only import measures where HS codes were available are included in the calculation. Cumulative figures exclude measures having an initiation and termination date within the same review period.

[5] Based on import restrictions recorded up to 15 October 2024.

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



Note: The 2024 estimate is based on import-restrictive measures up to 15 October 2024. 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

3.23. Since the outbreak of the pandemic, 461 trade and trade-related measures on goods have been implemented by WTO Members and Observers (Table 3.8)[6], of which 256 (55.5%) were of a trade-facilitating nature and 205 (44.5%) were trade-restrictive (Chart 3.7).

3.24. During the review period, Members continued to phase out pandemic-related measures, in particular restrictive ones. Three new COVID-19 measures on goods and 15 terminations of existing measures (9 terminations of import-facilitating and 6 terminations of export-restrictive measures) were recorded. According to information received by the Secretariat, as of mid-October 2024, 142 (55.5%) of the COVID-19 trade-facilitating and 178 (86.8%) of the trade-restrictive measures have been repealed.

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

	Facilitating	Phased out	Restrictive	Phased out	Total
Import	213	125	21	11	234
Export	27	11	175	160	202
Other	16	6	9	7	25
Total	**256**	**142**	**205**	**178**	**461**

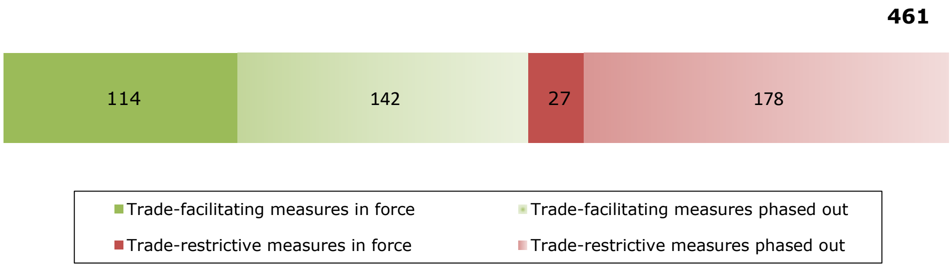
Note: Revised data reflect changes to fine-tune and update available information.

Source: WTO Secretariat.

3.25. Most of the COVID-19 trade-facilitating measures (83.2%) introduced since the beginning of the pandemic were import measures while most of the trade-restrictive measures (85.4%) targeted exports.

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

Chart 3.7 Number of COVID-19 trade and trade-related measures on goods, by mid-October 2024



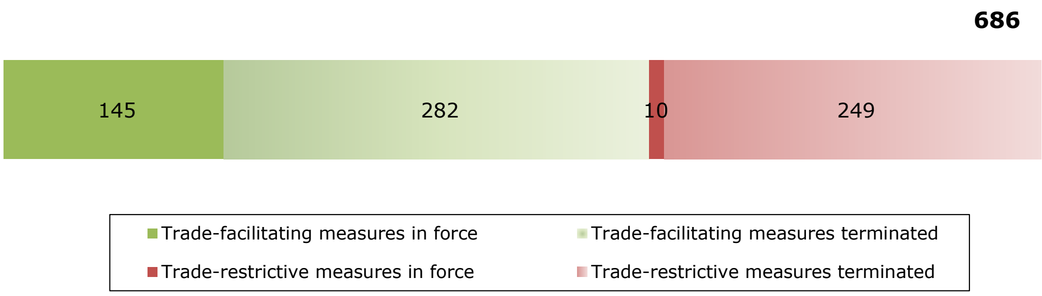
Source: WTO Secretariat.

3.26. Import-facilitating measures aimed to reduce or eliminate import tariffs and import taxes. Certain WTO Members and Observers reduced their import 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 introduced, while other measures have simply remained in force.

3.27. The COVID-19 export-restrictive measures came in the form of temporary export bans or prohibitions, export licence requirements or export authorization mechanisms targeting a variety of goods such as PPEs, drugs, vaccines, diagnostics, medical supplies and products, and certain food products. The roll-back of these export restrictions taken in the early stages of the pandemic continued during the review period. As of mid-October 2024, 15 COVID-19-related export restrictions were still in place according to information either identified by the Secretariat or received from delegations.

3.28. The trade coverage of the COVID-19 trade-facilitating measures implemented since the outbreak of the pandemic was estimated at USD 427.0 billion, and that of trade-restrictive at USD 259.1 billion.[7] The trade coverage of the COVID-19-related trade-facilitating measures terminated since the beginning of the pandemic was estimated at USD 281.7 billion and that of trade-restrictive measures at USD 249.4 billion (Chart 3.8).

Chart 3.8 Trade coverage of COVID-19 trade and trade-related measures on goods, by mid-October 2024 in USD billion



Note: Values are rounded.

Source: WTO Secretariat.

[7] Including imports and exports and based on annual 2023 trade figures, except for Albania, Algeria, Bangladesh, Belarus, Cambodia, Honduras, Republic of Korea, Mali, Mongolia, Nepal, the Russian Federation, Saint Kitts and Nevis and Viet Nam. For those listed, the most recent year available was used for the calculations. The concordance to HS22 nomenclature was applied to the best extent possible. The value of world trade decreased in 2023 compared to 2022, thus, the latest trade coverage estimates are lower than those included in the previous Report.

3.1.3 Food, feed, and fertilizers – recent developments

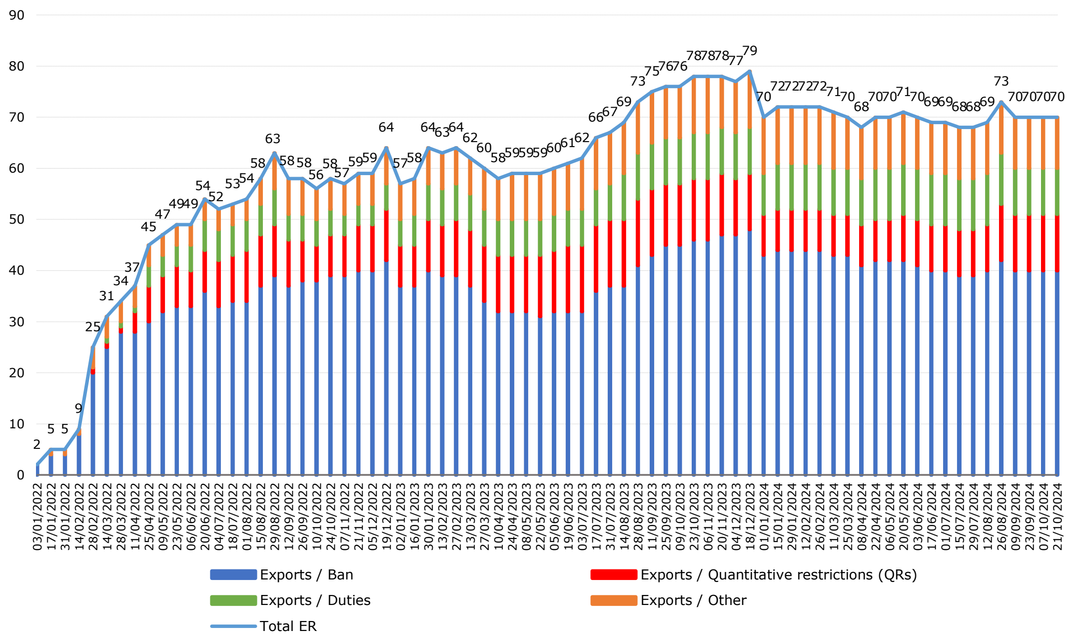
3.29. The WTO Trade Monitoring Exercise has been paying a particular attention to trade measures applied on agricultural products since the beginning of the war in Ukraine on 24 February 2022. Although the outbreak of the war initially triggered many export and import-related trade measures on food, feed and fertilizers, the trade measures introduced during the current review period are no longer easily linked directly to this conflict. Climate change-related events, inflationary pressures and supply-side uncertainty all appear to be more important reasons behind the decision to implement certain trade measures.

Export restrictions on food, feed, and fertilizers

3.30. Since the outbreak of the war in Ukraine, the WTO Secretariat has identified 146 export trade-restrictive measures introduced by 39 WTO Members and 8 Observers on agricultural commodities. During the review period, 20 new export restrictions were identified. As of mid-October 2024, 76 of all identified export restrictions had been phased out, bringing the number of restrictions in force to 70 (Chart 3.9).

3.31. Since 24 February 2022, the trade coverage[8] of the export restrictive measures introduced by all WTO Members and Observers is estimated at USD 116.9 billion (down from USD 133.9 billion in the last Report), out of which USD 12.2 billion referred to fertilizers. The trade coverage of the repealed export restrictions is estimated at USD 105.1 billion, of which USD 8.6 billion on fertilizers (up from USD 104.2 billion and USD 7.5 billion respectively in the last Report). Thus, the trade coverage of export restrictions that are still in place is estimated at USD 11.8 billion (down from USD 29.6 billion in the last Report).

Chart 3.9 Number of export restrictions on food, feed and fertilizers in force, January 2022 to mid-October 2024



Source: WTO Secretariat.

3.32. During the past 12 months, the rate at which export restrictions were introduced has more than halved compared to the previous yearly period. Export restrictions continue to target a wide

[8] Including imports and exports and based on annual 2023 trade figures, except for Afghanistan, Algeria, Bangladesh, Belarus, the Islamic Republic of Iran, the Republic of Korea, Lesotho, Mongolia, Nepal, the Russian Federation, Tajikistan, Tunisia, Uganda, and Viet Nam. For those listed, the most recent year available is used for the calculations. The concordance to HS22 nomenclature was applied to the best extent possible. The value of world trade has decreased in 2023 compared to 2022, thus the latest trade coverage estimates are lower than those included in the previous Report.

range of agricultural products including wheat, onion, rice, sugar, and maize. The nature of the export restrictions remains diverse and includes export bans, quotas, duties, licensing requirements and other restrictions.

Import-facilitating measures on food, feed, and fertilizers

3.33. Since the beginning of the war in Ukraine, the WTO Secretariat has also identified 116 import-facilitating measures on various agricultural products, recorded for 69 WTO Members and 3 Observers. During the reporting period, 18 new import-facilitating measures were implemented. Of all identified import-facilitating measures, 65 had been phased out or expired by mid-October 2024. As of 15 October 2024, 51 import-facilitating measures remain in force.

3.34. Since 24 February 2022, the trade coverage[9] of the import-facilitating measures introduced is estimated at USD 121.3 billion (slightly down from USD 128.4 billion in the last Report), out of which USD 12.9 billion referred to fertilizers (up from USD 2.7 billion in the last Report). The trade coverage of terminated import-facilitating measures is estimated at USD 61.3 billion (up from USD 45.6 billion in the last Report), of which USD 2.3 billion on fertilizers (up from USD 1.2 billion in the last Report). Therefore, the trade coverage of import-facilitating measures on food, feed, and fertilizers that are still in place is estimated at USD 60.0 billion (down from USD 82.9 billion in the last Report).

3.35. Import-facilitating measures continue to target a range of agricultural products, including vegetable oils, cereals, rice, meats, and poultry, as well as fertilizers. These measures include reductions of import tariffs, increases of import quotas, introductions of tariff-free quotas and exemptions from value added taxes as well as lifting of import permit requirements.

National security

3.36. During the review period, several trade and trade-related measures have been announced or implemented citing national security as an important justification. These measures have received considerable attention, but preliminary research by the WTO Secretariat suggests that the overall estimated trade coverage remains relatively limited at around USD 79.6 billion or 0.2% of world trade. In recent meetings of the TPRB to discuss the Director-General's Trade Monitoring Reports, delegations have reiterated their right to implement such measures and have consistently emphasized that they do not wish for the Trade Monitoring Reports to cover these measures substantively.

3.2 Trade remedy trends[10]

3.37. This Section provides an assessment of trends in trade remedy actions over three periods: July 2021 to June 2022, July 2022 to June 2023, and July 2023 to June 2024.[11]

3.38. WTO Members initiated 349 trade remedies investigations (i.e. anti-dumping, countervailing duty, and safeguards investigations) in the latest period (July 2023 to June 2024), a significant increase (133%) from the 150 initiations in the first period (July 2021 to June 2022). In contrast, the total number of trade remedy measures applied by Members in the latest period (86) decreased by almost 62% from the 225 measures applied in the first period.

3.39. Anti-dumping actions are the most numerous among trade remedy initiations and measures applied. Since the first review period, most anti-dumping actions have targeted products in the

[9] Including imports and exports and based on annual 2023 trade figures, except for Afghanistan, Algeria, Bangladesh, Belarus, the Islamic Republic of Iran, the Republic of Korea, Lesotho, Mongolia, Nepal, the Russian Federation, Tajikistan, Tunisia, Uganda, and Viet Nam. For those listed, the most recent year available is used for the calculations. The concordance to HS22 nomenclature was applied to the best extent possible. The value of world trade has decreased in 2023 compared to 2022, thus the latest trade coverage estimates are lower than those included in the previous Report.

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

[11] These periods coincide with the periods covered by Members' semi-annual reports of anti-dumping and countervailing actions.

metals, chemicals, plastics and rubber sectors. Metals, chemicals, and machinery products accounted for the largest share of countervailing initiations during the review period.

3.40. Safeguard measures are subject to different rules and timelines compared to anti-dumping and countervailing actions, as they apply to all exporting countries/customs territories. Since the peak in 2019, initiations of safeguard investigations have decreased significantly.

Anti-dumping measures[12]

3.41. The total number of anti-dumping initiations increased by 138% between July 2021-June 2022 and July 2023-June 2024 (Table 3.9). 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 imposed. Over the review period, a total of 369 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 2021-June 2022		July 2022-June 2023		July 2023-June 2024	
	Initiations	Measures	Initiations	Measures	Initiations	Measures
Argentina	14	7	10	9	1	4
Australia	3	6	0	1	7	0
Bahrain, Kingdom of; Kuwait, State of; Oman; Qatar; Saudi Arabia, Kingdom of; United Arab Emirates[a]	9	0	1	7	3	0
Brazil	4	3	4	8	17	0
Canada	3	14	1	1	7	1
Chile					2	
China	1	2	1	1	8	1
Colombia	0	2	0	0	7	0
Egypt	0	3	1	0	0	0
European Union[b]	7	14	4	8	15	5
Georgia					3	
India	13	26	37	9	72	26
Indonesia	0	2	4	0	6	0
Israel					1	
Japan	0	0	0	2	1	0
Korea, Republic of	8	4	3	9	3	1
Malaysia	0	1	1	0	0	1
Mexico	5	5	5	5	4	3
Morocco	1	0	0	3	2	0
New Zealand	0	1	1	0	0	0
Pakistan	1	12	0	0	5	1
Paraguay	0	0	1	0	0	0

[12] 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.

Member	July 2021-June 2022		July 2022-June 2023		July 2023-June 2024	
	Initiations	Measures	Initiations	Measures	Initiations	Measures
Peru	1	2	1	1	1	0
Philippines	0	0	0	1	1	0
Russian Federation[c]	0	3	4	3	2	0
Saudi Arabia, Kingdom of[d]	0	0	0	0	6	0
South Africa[e]	8	4	2	12	1	3
Chinese Taipei	3	5	1	3	0	1
Thailand	1	13	0	2	0	0
Türkiye	1	3	0	6	23	0
Ukraine	6	7	0	0	5	4
United Kingdom	1	0	0	1	5	1
United States	27	42	36	13	68	18
Uruguay	0	1	0	0	1	0
Viet Nam	2	8	0	4	6	0
Total	**119**	**190**	**118**	**109**	**283**	**70**

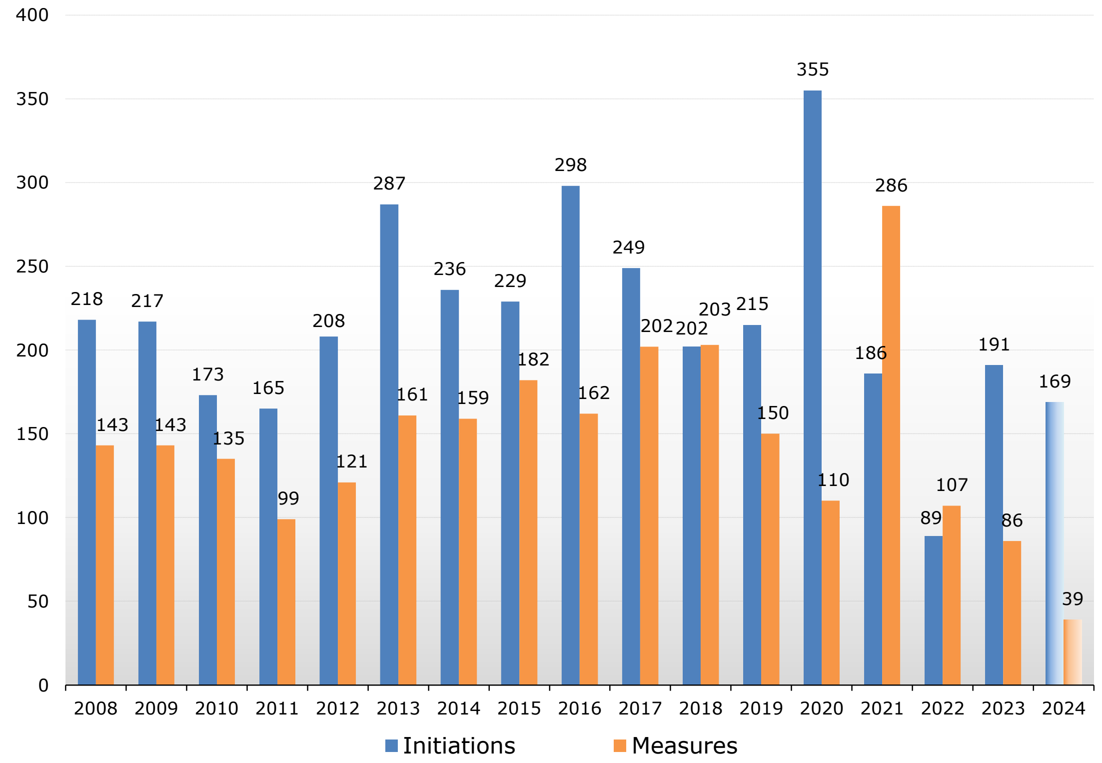
a Notified by all Gulf Cooperation Council (GCC) member States collectively, as investigations are initiated by the GCC regional investigating authority on behalf of all GCC member States.
b The European Union is counted as one.
c Notified by the Russian Federation, but investigations are initiated by 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 the Kingdom of Saudi Arabia individually, as these investigations are initiated by its own investigating authority and not by the GCC regional investigating authority.
e 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).

Source: WTO Secretariat.

3.42. Chart 3.10 shows that the number of initiations of anti-dumping investigations increased significantly in 2020 compared with previous years. The 355 initiations in 2020 represent the peak since 2002 but remains lower than the all-time high of 372 in 2001. The increase in the initiations in 2020 led to an increase in the total number of measures applied in 2021. In 2022, the initiations fell to 89. In 2023, they increased to the same level of 2021. The upward trend is expected to continue in 2024, as 169 investigations were initiated in the first half of the year.

3.43. Thirty-eight exporting Members were affected by new anti-dumping investigations during the first period, while 32 were affected during the second period and 51 in the last period. China remained, by far, the most frequent subject of anti-dumping initiations during the three reporting periods, accounting for 36% of all investigations. India accounted for 6% while Thailand was the subject of 5% of all initiations.

Chart 3.10 Number of initiations of anti-dumping investigations and measures applied, 2008-24



Note: Data for 2024 cover January to June.

Source: WTO Secretariat.

3.44. There was little change in terms of the products affected by anti-dumping investigations initiated between July 2021 and June 2024, with the majority of initiations focused on products in the metals, chemicals, and plastics, and rubber sectors.

3.45. At the regular meetings of the Committee on Anti-Dumping Practices on 26 October 2023 and on 24 April 2024[13], concerns were raised with respect to 37 anti-dumping investigations. Most of these concerns (76%) were raised with respect to anti-dumping actions by China (3), the European Union (3), India (8), Indonesia (2), the Republic of Korea (3), Mexico (3), Türkiye (3), the United Kingdom (3), and the United States (2). The remaining trade concerns were raised with respect to anti-dumping actions by Argentina, Australia, EAEU member States (Armenia, Kazakhstan, Kyrgyz Republic, and the Russian Federation), Morocco, Pakistan, Philippines, and Viet Nam.

3.46. Other additional issues and concerns were raised with respect to (i) the duration of certain United States antidumping measures; (ii) sunset reviews conducted by the European Union leading to continued imposition of AD measures (iii) European Union's Regulation (EU) 2017/2321 and Regulation (EU) 2018/825; (iv) the duration of certain Chinese antidumping measures; (v) NME methodology in anti-dumping investigations; (vi) overall importance of prompt notifications for transparency purposes; (vii) transitional reviews, continued application by the United Kingdom of the European Union's anti-dumping measures conducted after Brexit and lengthy transitional reviews; (viii) the negative effects of the geopolitical situation on the Ukrainian economy, its infrastructure, vital production facilities, capacities, cost of production, production, export potential and the ability of the interested parties to defend their interests in anti-dumping investigations; and (ix) the application by Mexico of the particular market situation concept in investigations targeting Viet Nam.

[13] WTO documents G/ADP/M/64, 29 November 2023; and G/ADP/M/65, 23 May 2024, respectively.

Countervailing measures

3.47. The data reveal a significant increase in initiations of countervailing investigations in the period July 2023–June 2024, rising from 12 in the previous period (July 2022–June 2023) to 52 initiations. In contrast, the overall number of measures applied showed a decline from 29 in the first period to 9 measures in the most recent period (Table 3.10). This could be explained by the time lag between initiations and the conclusion of investigations, as investigations can take up to 18 months. Given the sharp increase in initiations, an increase in the number of measures applied may be expected in the near future.

3.48. During the review period, 23 exporting WTO Members were affected by new countervailing investigations. China was the most frequent subject of investigations (30), accounting for 34% of all investigations during the three periods. India (15), the second most frequent subject, accounted for 17% of initiations, followed by Indonesia (6) which accounted for 6% of the total number of initiations.

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

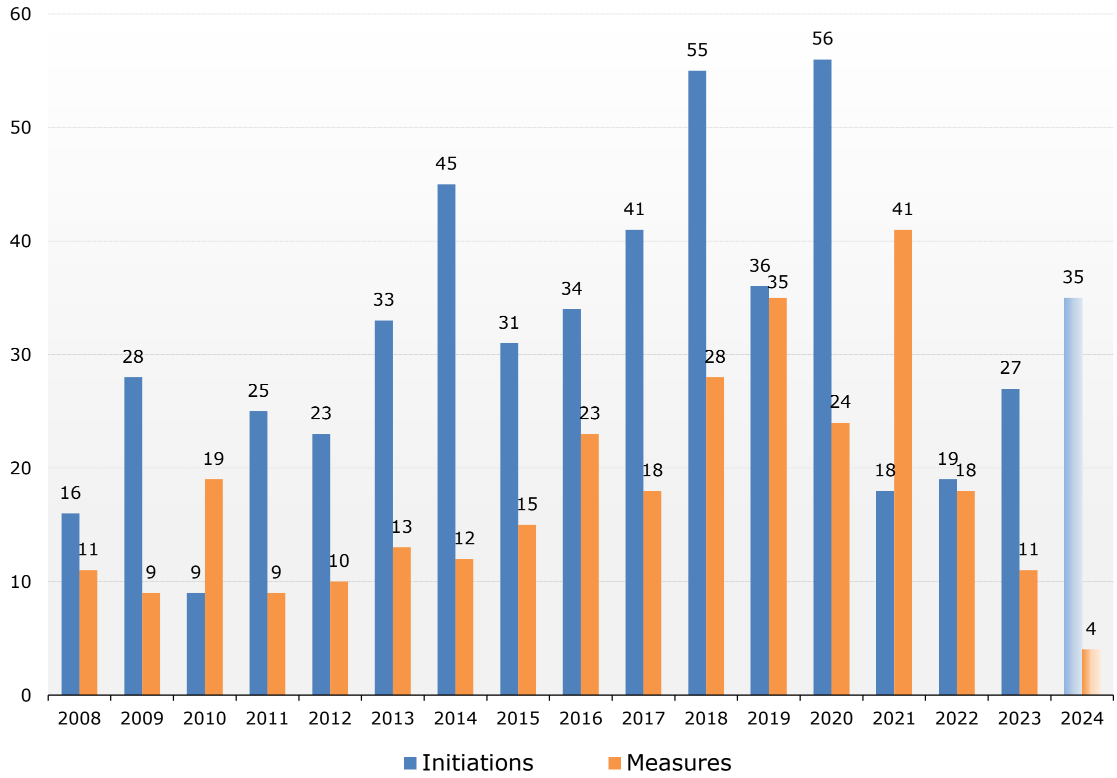
Member	July 2021-June 2022		July 2022-June 2023		July 2023-June 2024	
	Initiations	Measures	Initiations	Measures	Initiations	Measures
Australia	0	2	0	0	3	0
Brazil	0	0	1	2	0	0
Canada	2	4	1	1	1	1
China	0	0	0	0	0	0
European Union[a]	2	4	0	0	5	0
India	3	4	0	3	5	0
Mexico	0	0	0	0	1	0
United Kingdom	2	0	0	0	1	2
United States	14	15	10	6	36	6
Total	**23**	**29**	**12**	**12**	**52**	**9**

a The European Union is counted as one.

Source: WTO Secretariat.

3.49. Chart 3.11 illustrates the trends in the number of countervailing duty initiations and measures from 2008 to the first half of 2024. Over this period, there was a noticeable fluctuation in both initiations and measures. Initiations peaked in 2020 with 56 investigations, followed by a gradual decrease until a resurgence in 2024, reaching 35 initiations in the first half alone. Similarly, measures followed an upward trend, peaking in 2021 with 41 measures, and generally fluctuated in subsequent years. The relatively high number of initiations in the first half of 2024 suggests the potential for a rise in measures in the near future as investigations conclude.

Chart 3.11 Number of initiations of countervailing investigations and measures applied, 2008-24



Note: Data for 2024 cover January to June.

Source: WTO Secretariat.

3.50. At the regular meetings of the Committee on Subsidies and Countervailing Measures on 27 October 2023 and 23 April 2024[14] concerns were raised with respect to countervailing duty investigations by China (1), the European Union (2), the United Kingdom (1), and the United States (5).

3.51. Additional concerns were raised with respect to (i) the elimination of export subsidies by the Members that received extensions under Article 27.4 of the SCM Agreement; (ii) the low and declining levels of compliance with the notification and transparency obligations in the SCM Agreement; (iii) the proposed guidelines for submission of questions and answers under Articles 25.8 and 25.9; (iv) the discriminatory subsidies policies and measures of the United States; (v) subsidies and overcapacity; (vi) the use of adverse facts available by the United States in various CVD investigations; (vii) the countervailing duty investigations by the European Union regarding the cross-border subsidies; (viii) the subsidy transparency and China's publication and inquiry point obligations under China's protocol of accession; (ix) the proposed amendment to procedures for review of new and full subsidy notifications; (x) the rebalancing the SCM Agreement – policy space to promote industrialization in developing countries; (xi) the state intervention in support of industrial sectors – adapting the WTO rulebook to respond to contemporary challenges; (xii) determinations on public body and *de facto* specificity by the United States in various countervailing investigations; (xiii) France's electric vehicle (EV) subsidy scheme; (xiv) Kazakhstan's proposed preferences for domestically produced agricultural machinery; (xv) the request from Australia to India pursuant to Article 25.8 of the SCM Agreement regarding certain fisheries subsidies; and (xvi) the challenges on information requests by the United States in various countervailing investigations.

[14] WTO documents G/SCM/M/125, 7 December 2023 and G/SCM/M/127, 23 May 2024, respectively.

Safeguard measures

3.52. 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.[15] 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.

3.53. In the latest period (July 2023 to June 2024), 14 safeguard investigations were initiated marking a 2-fold increase compared to the 7 initiations in the previous period (Table 3.11). Between January and June 2024, six investigations were initiated, and three measures were applied.

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

Member	July 2021-June 2022		July 2022-June 2023		July 2023-June 2024	
	Initiations	Measures	Initiations	Measures	Initiations	Measures
Ghana	1	0	0	0	0	1
India	0	0	2	2	0	1
Indonesia	0	3	0	0	5	0
Madagascar	1	0	2	0	2	3
Morocco	0	0	1	0	1	0
Peru	1	0	0	0	0	0
Philippines	0	0	1	1	0	0
South Africa[a]	0	1	0	0	1	0
Tunisia	1	0	1	0	0	1
Türkiye	1	1	0	1	4	1
Ukraine	3	1	0	0	0	0
United States	0	0	0	0	1	0
Total	**8**	**6**	**7**	**4**	**14**	**7**

a 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.

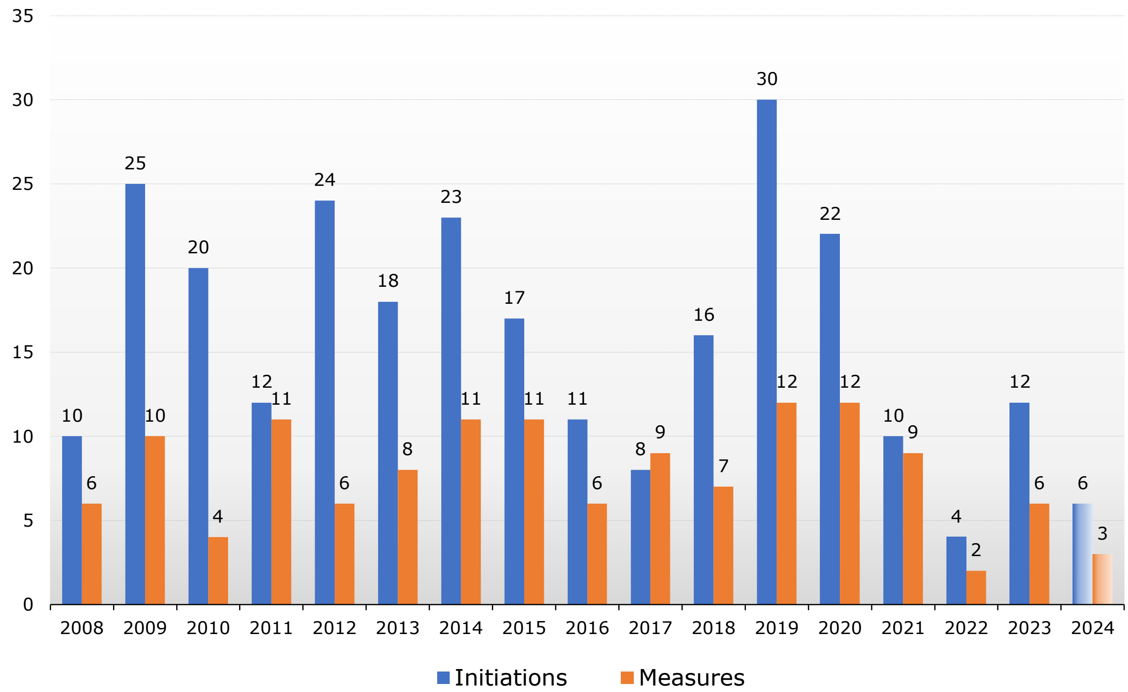
Note: Some notifications are ambiguous about the timing when the measures took effect. For those, an additional notification clarifying, *ex post*, the effective date of the measure is sometimes filed. For this reason, the number of applications of measures in a given period indicated in past reports may differ from the figures indicated in the most recent report. The same applies to the following chart.

Source: WTO Secretariat.

3.54. Chart 3.12 shows the number of initiations of safeguard investigations and application of measures on a calendar-year basis. As shown in the Chart, the figures for 2022 (4 initiations and 2 measures) and 2023 (12 initiations and 6 measures) were among the lowest since 1995. The preliminary figures available as of the writing of this report suggest that the number of initiation in 2024 may lower than that of 2023, but the number of measures applied is likely to be slightly higher than in 2023. Overall, the levels of safeguard actions remain relatively low in historical terms.

[15] 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.

Chart 3.12 Number of initiations of safeguard investigations and measures applied, 2008-24



Note: Data for 2024 cover January to June.

Source: WTO Secretariat.

3.55. At the meetings of the Committee on Safeguards held on 25 October 2023 and on 22 April 2024[16], concerns were raised with respect to 17 safeguard investigations by the European Union (1), India (1), Indonesia (2), Madagascar (1), Morocco (2), South Africa (1), Tunisia (1), Türkiye (5), the United Kingdom (1), the United States (1), and Viet Nam (1).

3.3 Sanitary and phytosanitary (SPS) measures[17]

3.56. This Section covers SPS transparency-related matters, including specific trade concerns discussed in SPS Committee meetings, for the period from 1 October 2023 to 30 September 2024. In addition, SPS measures taken in response to the COVID-19 pandemic are reported in a separate section covering the period from 1 February 2020 to 30 September 2024. The last Section refers to the work of the SPS Committee on the MC12 SPS Declaration.

3.57. Under the SPS Agreement, WTO Members are obliged to provide an advance notice of intention to introduce new or modified SPS measures[18], 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 increased number of notifications does not automatically imply greater use of protectionist measures, but rather enhanced transparency regarding food safety and animal and plant health measures, most of which are, presumably, legitimate health-protection measures.

[16] WTO documents G/SG/M/63, 29 November 2023; and G/SG/M/64, 24 May 2024 respectively.

[17] Information presented in this Section was retrieved from the ePing SPS&TBT Platform. Viewed at: https://eping.wto.org/. This Section is based on notifications to the WTO for the period 1 October 2023 to 30 September 2024. Specific trade concerns (STCs) are raised at SPS Committee meetings, and this Section summarizes the STCs raised at the 15-17 November 2023, 20-22 March 2024, and 26-28 June 2024 SPS Committee meetings. More detailed searches on STCs have been retrieved from the Trade Concerns Database. Viewed at: https://tradeconcerns.wto.org/en.

[18] Transparency obligations are contained in Article 7 and Annex B to the SPS Agreement.

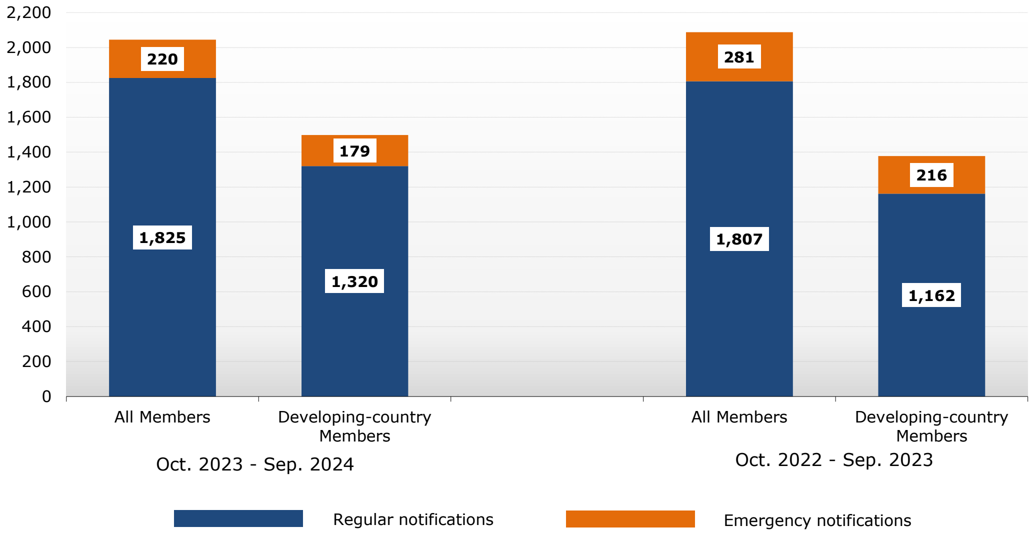
3.58. In the period from 1 October 2023 to 30 September 2024, 2,045 SPS notifications (regular and emergency, including revisions and addenda) were submitted[19] to the WTO, a 2% decrease compared with the previous 12-month period (2,088 notifications from 1 October 2022 to 30 September 2023). The share of notifications from developing-country Members, accounting for 73% (1,499 notifications) of the total number, was higher than the 66% (1,378 notifications) corresponding to the previous 12-month period (Chart 3.13).

3.59. During the review period, WTO Members submitted 1,825 regular SPS notifications (including revisions and addenda), 72% (1,320 notifications) of which were submitted by developing-country Members. Compared with the previous 12-month period, the total number of regular notifications increased by about 1%, while those submitted by developing-country Members increased by about 14%.

3.60. The total number of emergency notifications (including revisions and addenda) decreased by 22% in the current review period (220 compared with 281 during the previous 12-month period). This decrease was less pronounced (17%) for emergency notifications submitted by developing-country Members compared with the previous 12-month period (179 compared with 216). At the same time, the proportion of all emergency notifications (including revisions and addenda) submitted by developing-country Members remained higher than that submitted by developed-country Members, constituting 81% of the total of emergency notifications. High percentages of emergency notifications by developing-country Members have been considered consistent with the general trend of most emergency measures being notified by developing-country Members, perhaps 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.

3.61. Many Members follow the recommendation to notify SPS measures even when they are based on a relevant international standard[20], as this substantially increases transparency. In this context, of the 1,284 regular notifications (excluding addenda) submitted from 1 October 2023 to 30 September 2024, 41% indicated that at least one international standard, guideline or recommendation was applicable to the notified measure (Chart 3.14). Of these, about 85% indicated that the proposed measure was in conformity with the applicable international standard.

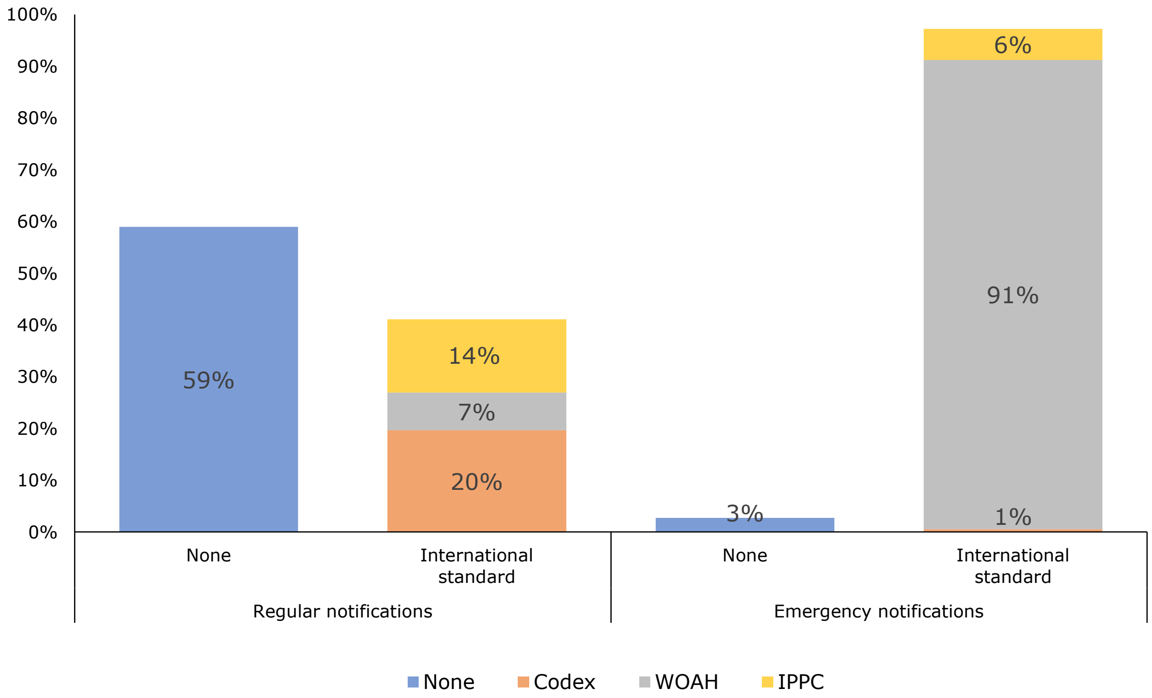
Chart 3.13 Number of SPS notifications, including regular, emergency, revisions and addenda



Source: WTO Secretariat.

[19] For this Report, "submission" refers to the date of circulation.
[20] WTO document G/SPS/7/Rev.5, 16 January 2023, para. 2.3. This document was updated in January 2023 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.

Chart 3.14 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.

3.62. International standards often provide useful guidance regarding measures to address disease outbreaks and other emergency situations. Indeed, 178 out of 183 (about 97%) emergency notifications (excluding addenda) submitted during the review period indicated that an international standard, guideline or recommendation was applicable to the notified measure (Chart 3.14).

3.63. Of the 1,284 regular notifications (excluding addenda) submitted during the review period, the majority (66%) were related to food safety.[21] 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.

3.64. Of the 183 emergency measures (excluding addenda) notified in the same period, the majority (91%) 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.

3.65. The WTO Secretariat prepares annual transparency reports containing detailed information on the implementation of the transparency provisions of the SPS Agreement.[22]

3.66. 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 a specific trade concern (STC) at any of the regular meetings of the SPS Committee each year.

[21] 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.

[22] WTO document G/SPS/GEN/804/Rev.16, 1 February 2024.

3.67. Three SPS Committee meetings were held during the period under review, on 15-17 November 2023, 20-22 March 2024 and 26-28 June 2024.[23] The November 2023, March 2024 and June 2024 meetings were held in person, and Members were also able to participate remotely via a virtual conferencing platform. More capital-based delegates came to Geneva, and the margins of the SPS Committee meetings provided important opportunities for delegations to discuss and resolve trade concerns bilaterally.

3.68. Several STCs had been withdrawn or not raised by certain Members during the review period. At the March 2024 meeting, China withdrew the new STC on "Concerns on the US FDA Import Alert 99-30 regarding the detention of milk products and melamine".[24] At the June 2024 meeting, Indonesia withdrew three new STCs: China's import restrictions on wheat pollard by-products (HS 2302); Malaysia's import restriction on goats and sheep due to foot and mouth disease; and US MRLs for tetraniliprole in or on tea. In addition, the European Union withdrew one previously raised STC in June: US non-recognition of the pest-free status in the European Union for Asian longhorn beetle and citrus longhorn beetle (STC ID 471).[25]

3.69. In the SPS Committee meetings of 15-17 November 2023, 20-22 March 2024 and 26-28 June 2024, 17 STCs were raised for the first time (Table 3.12), and 51 previously raised STCs were discussed again.[26] Thirty-four previously raised STCs were raised in the three meetings.[27] Of these, 9 addressed persistent problems that have been discussed 15 times or more (Table 3.13). In addition, nine STCs raised for the first time during the review period were discussed again in March or June 2024.[28]

Table 3.12 New STCs raised in the SPS Committee meetings of November 2023, March and June 2024

ID	New STCs
585	EU non-renewal of the approval of the active substance thiacloprid
584	The Philippines' import restriction on rabbit due to rabbit haemorrhagic disease virus (RHDV)
583	Chinese Taipei's import restrictions for food products
582	Concerns on the US FDA Import Alert 99-30 regarding the detention of milk products and melamine testing
581	The Dominican Republic's undue delays in the authorization process for exports of animal products from Costa Rica
580	Colombia's import restrictions due to African swine fever
579	EU delays in the renewal of authorizations for fishery enterprises and fish products
578	Bolivia's undue delays in the import authorization procedure for dairy products (cream cheese)
577	Mexico's undue delays in the clearance of frozen shrimp
576	Qatar's precautionary requirements/measures for some imported foodstuffs
575	Viet Nam's undue delays in the authorization of beef imports
574	China; Hong Kong, China; Macao, China; Russian Federation – Import restrictions on aquatic products after the discharge of ALPS treated water
573	Thailand's HPAI restrictions on live poultry and poultry meat
572	India's suspension of imports of apples, pears and marigold seeds
571	EU Xylella fastidiosa surveillance requirements for third countries
570	US undue delays in the publication of import requirements for table grapes under a systems approach
569	US delays in the authorization of sweet citrus fruits

Source: WTO Secretariat.

[23] WTO documents JOB/SPS/32, 27 October 2023; JOB/SPS/34, 1 March 2024; and WTO/AIR/SPS/45, 7 June 2024.
[24] WTO document G/SPS/R/112, 23 May 2024
[25] WTO document G/SPS/R/114, 2 August 2024.
[26] The 51 previously raised STCs, which were discussed again were STC IDs 193, 332, 356, 382, 392, 406, 431, 439, 441, 442, 446, 448, 466, 471, 485, 487, 490, 498, 501, 503, 508, 509, 516, 518, 521, 526, 529, 530, 532, 533, 534, 539, 542, 543, 544, 546, 548, 549, 550, 552, 553, 554, 557, 558, 561, 562, 563, 564, 565, 566, 568.
[27] These were STC IDs 193, 356, 382, 392, 406, 431, 439, 441, 442, 446, 448, 466, 503, 509, 516, 518, 521, 529, 530, 532, 533, 534, 539, 542, 544, 548, 549, 550, 553, 554, 561, 562, 563, 565.
[28] These were STC IDs 569, 570, 572, 573, 574, 575, 577, 578, 579.

Table 3.13 Previously raised SPS STCs discussed in the November 2023, March and June 2024 meetings, raised 15 times or more[a]

STC ID	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 (4 Members)	22/06/2004 (51 times)	Animal health/Animal diseases
382	European Union legislation on endocrine disruptors	European Union	Argentina, China, Dominican Republic, Ecuador, Guatemala, India, Panama, Paraguay, Peru, United States (50 Members)	25/03/2014 (29 times)	Food safety
406	China's import restrictions due to highly pathogenic avian influenza	China	European Union, United States (2 Members)	16/03/2016 (23 times)	Animal health/Animal diseases
392	China's import restrictions due to African swine fever	China	European Union	15/07/2015 (21 times)	Animal health/Animal diseases
431	South Africa's import restrictions on poultry due to highly pathogenic avian influenza	South Africa	European Union (3 Members)	02/11/2017 (19 times)	Animal health/Animal diseases
439	United States import restrictions on apples and pears	United States	European Union	01/03/2018 (19 times)	Plant health
441	Indonesia's approval procedures for animal and plant products	Indonesia	European Union, Russian Federation (4)	12/07/2018 (18 times)	Other concerns
448	EU MRLs for alpha-cypermethrin, buprofezin, chlorothalonil, chlorpyrifos, chlorpyrifos-methyl, cypermethrin, diflubenzuron, ethoxysulfuron, glufosinate, imazalil, ioxynil, iprodione, mancozeb, molinate, picoxystrobin and tepraloxydim	European Union	China, Colombia, Costa Rica, Côte d'Ivoire, Dominican Republic, Ecuador, Guatemala, India, Panama, Paraguay, Peru, United States (27 Members)	01/11/2018 (17 times)	Food safety
446	EU review of legislation on veterinary medicinal products	European Union	Argentina, United States (10)	12/07/2018 (15 times)	Food safety

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

Source: WTO Secretariat.

3.70. Of the 17 STCs raised for the first time in the three SPS Committee meetings, 5 (29%) concerned food safety, 4 concerned measures covering animal health/animal diseases (24%), 2 related to plant health (12%) and 6 covered other concerns (35%).[29] Regarding the 51 previously raised STCs during the review period, 16 concerned measures covering food safety, 15 concerned animal health/animal diseases, 6 related to plant health and 14 covered other types of concerns. Of the 68 STCs raised or discussed during the review period, 21 concerned measures covering food safety, 19 covered animal health/animal diseases, 8 concerned plant health and 20 related to other types of concerns. Discussions among Members in the SPS Committee continue to be multifaceted and dynamic.

3.71. The WTO Secretariat prepares annual reports containing detailed information on STCs discussed in the SPS Committee.[30] At the November 2023 meeting, the Secretariat provided an update on the annual report on the use of the procedure to encourage and facilitate the resolution of specific sanitary or phytosanitary issues among Members in accordance with Article 12.2 (G/SPS/61), contained in document G/SPS/GEN/2154. The report included information on a request submitted by Brazil for the good offices of the Chair to resolve a concern regarding pork exports to

[29] These concerns include equivalence, risk assessment, and approval procedures.
[30] WTO document G/SPS/GEN/204/Rev.24, 1 February 2024 and the Trade Concerns Database.

Mexico. Following the publication of its import requirements, Mexico had indicated that the consultations were no longer necessary. The underlying STC had been later reported as resolved.

3.72. At the March 2024 meeting, in relation to STC ID 193, the European Union announced that the Kingdom of Saudi Arabia had lifted the remaining bans on EU imports imposed on the grounds of BSE, and urged other Members to follow promptly. At the same meeting, the Chairperson reminded Members that, in 2024, the Secretariat would repeat the exercise to update the status of STCs that had not been raised for several years.

3.73. At the June 2024 meeting, the Chairperson announced the Secretariat's intention to contact Members who had outstanding STCs that had not been discussed in several years to find out if any of these concerns had been resolved. The results of this exercise would be reported at the November 2024 Committee meeting. At the June meeting, the European Union provided information about the partial resolution of STC ID 471, US non-recognition of the pest-free status in the European Union for Asian longhorn beetle and citrus longhorn beetle.

3.74. Two thematic sessions and one workshop were held during the reporting period.[31] During the November 2023 meeting week, a thematic session was held on risk communication, misinformation and disinformation, based on a proposal submitted by the United States. During the March 2024 meeting week, the Secretariat organized a two-day thematic workshop on transparency, including dedicated training for SPS National Notification Authorities and Enquiry Points on the ePing SPS&TBT Platform. The WTO Secretariat funded the participation of 27 government officials and five speakers from technical assistance beneficiaries to participate in this workshop. During the June 2024 Committee meeting week, a thematic session on digital tools was held, based on proposals submitted by the European Union, Norway, and the United States.[32]

COVID-19-related SPS measures[33]

3.75. 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, WOAH 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.

3.76. Between 1 February 2020 and 30 September 2024, 31 WTO Members (counting the European Union as one) notified 68 SPS measures related to the COVID-19 pandemic, with the most recent SPS COVID-19-related documents received on 16 January 2023. Initially, the measures notified 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 made the transmission of original paper certificates problematic. Overall, about two-thirds of notifications (excluding addenda) and communications submitted were measures considered to be trade-facilitating.

[31] 14 November 2023, 18-19 March 2024, and 25 June 2024.

[32] Please visit the SPS Events, Workshops and Training webpage to access programmes, reports, presentations and recordings of the thematic sessions and workshop: https://www.wto.org/english/tratop_e/sps_e/events_e.htm.

[33] The first COVID-19-related notifications were received in February 2020.

MC12 SPS Declaration "Responding to Modern SPS Challenges"

3.77. At the November 2023 meeting, the factual summary of the MC12 SPS Declaration Work Programme, prepared by the Secretariat, was adopted by the SPS Committee.[34] The Committee also prepared a draft report in accordance with the mandate established in the MC12 SPS Declaration to report on key findings and actions to MC13.[35] Some Members could not agree to the adoption of the draft report at the November 2023 meeting. In March 2024, several Members expressed their disappointment that the report had not been adopted, while one Member indicated that its position had not changed. At the June 2024 meeting, the draft report was adopted by the SPS Committee. It details key findings of the MC12 SPS Declaration Work Programme and includes recommendations for the Committee moving forward. The report was subsequently circulated as G/SPS/72.

3.4 Technical Barriers to Trade (TBT)

3.78. WTO Members continued to use the TBT Committee's transparency mechanisms to notify their TBT measures and to discuss and often resolve specific trade concerns (STCs) non-litigiously. Most of the new regular TBT notifications submitted by WTO Members during the review period referred to protection of human health or safety as their main objective. A total of 194 STCs were discussed during the review period. Some 34 WTO Members have submitted 237 COVID-19-related TBT notifications to the WTO in response to the pandemic since 2020 and referred to the COVID-19 pandemic in 55 STCs.

Notifications submitted to the TBT Committee

3.79. Under the TBT Agreement, WTO Members are required to notify their intention to introduce new or modified technical regulations and conformity assessment procedures, 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 and provide an opportunity for comments.

3.80. From 1 October 2023 to 1 October 2024 (the review period), WTO Members submitted 2,234 new regular notifications of TBT measures.[36] Members which notified the most measures during the review period - 54% of all new regular notifications – were Kenya (170), Uganda (169), China (149), Tanzania (137), Rwanda (124), Egypt (118), Burundi (100), the United States (100), the European Union (72) and Brazil (66). Most of these new regular TBT notifications indicated as their main objective 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 the harmonization and protection of the environment.

3.81. A total of 2,107 follow-up notifications (i.e. addenda, corrigenda, or supplements) were submitted during the review period. The frequent use by Members of follow-up notifications is positive as it increases transparency and predictability across the measures' regulatory lifecycle.

Measures discussed in the TBT Committee (STCs)[37]

3.82. WTO Members use the TBT Committee as a forum for discussing trade issues related to specific TBT measures proposed or maintained by other Members. Issues can range from requests for additional information and clarification to questions on the consistency of measures with TBT Agreement disciplines. The overall trend suggests an increasing use of the TBT Committee as a forum for Members to raise and resolve trade concerns non-litigiously.

3.83. A total of 194 (33 new and 161 previously raised) STCs were discussed during the three Committee meetings that fell within the review period. The 33 new STCs concerned TBT measures by the European Union (7); India (6); Mexico (3); the United States (3); one each by Argentina,

[34] The factual summary of the MC12 SPS Declaration Work Programme is available in WTO document G/SPS/70, 21 November 2023.
[35] WTO document G/SPS/W/344/Rev.3, 14 November 2024.
[36] Viewed at: ePing SPS&TBT platform.
[37] This Section takes account of the STCs raised in the TBT Committee meetings of 8-10 November 2023, 13-15 March and 5-7 June 2024.

Australia, the Kingdom of Bahrain, Canada, Chile, China, Colombia, Ecuador, Indonesia, Mozambique, Philippines, Qatar, the Kingdom of Saudi Arabia, Thailand and Uruguay. These new STCs covered regulations on a range of products (e.g. electric vehicles, alcoholic beverages, food products, toys, wines, furniture, cookware, medical textiles, pharmaceutical products, motor pumps, washing machines and personal computers), and dealt with a variety of issues (e.g. cybersecurity certification, animal welfare regulations, deforestation, labelling, international standards, regulatory fragmentation, quality infrastructure, duplicative testing, and transparency).

3.84. During the three Committee meetings covered by the review period, 9 persistent STCs were discussed (these STCs have each been previously raised on more than 16 occasions in the TBT Committee meetings).

3.85. The following box takes a closer look at TBT notifications and STCs raised in the TBT Committee on the topic of animal welfare.

Box 3.1 TBT and animal welfare

As of September 2024, Members have notified nearly 83 regulatory measures to the TBT Committee that pertain to animal welfare.[a] While "animal welfare" is not defined in WTO agreements, the World Organisation for Animal Health (WOAH, formerly OIE) — an observer to the TBT Committee — defines it as "*the physical and mental state of an animal in relation to the conditions in which it lives and dies*."[b]

Such TBT notifications cover issues such as animal confinement, handling and transportation of animals, animal slaughter, the design and operation of slaughterhouses, animal testing for the development of cosmetics or pharmaceutical products as well as cloning of breeding animals for farming purposes. A few of such measures were taken at the local level. Some 30% of animal welfare-related measures were notified to the WTO during the last five years. Among the most active notifying Members in this area are the European Union (and/or its member States), Kenya, Switzerland, and Uganda.

Beyond notifications, WTO Members have raised and discussed 12 specific trade concerns (STCs) in the TBT Committee involving animal welfare-related[c] regulatory issues. Such STCs concerned measures maintained by the European Union and certain of its member States, the United States, Guatemala, and China. Measures subject to these STCs took the form, *inter alia*, of requirements for animal slaughter and confinement, restrictions on the importation, processing and marketing of seal products, animal testing for cosmetic products and certification requirements. Members raising these STCs were concerned, specifically, with failure to comply with some of the obligations under the TBT Agreement, including transparency, avoidance of unnecessary obstacles to international trade, harmonization based on international standards, recognition of equivalence of regulations as well as special and different treatment. In addition, in their STCs, Members tended to request further technical and scientific information regarding the rationale for regulatory measures on animal welfare.

For example, an STC was raised regarding regulations on animal protection during slaughter. It was argued that such regulations exceeded WOAH standards. In response, a regulating Member indicated that the measure was science-based and took account of international standards.[d] In addition, in a recent STC, a concern was raised regarding the emerging patchwork of subnational-level measures prescribing confinement requirements for farm animals. A responding Member noted that reasonable measures were taken to ensure compliance of subnational-level measures with the relevant requirements under the TBT Agreement.[e]

a An estimate number derived from a search on ePing SPS&TBT Platform.
b WOAH, Terrestrial Animal Health Code, Glossary (italics original). The ISO defines animal welfare in its standard ISO/TS 4700:2016: 'Animal welfare management — General requirements and guidance for organizations in the food supply chain' as 'how an animal is coping with the conditions in which it lives'.
c See ePing SPS&TBT Platform.
d See Trade concern details - ePing SPS&TBT platform (epingalert.org).
e See Trade concern details - ePing SPS&TBT platform (epingalert.org).

Source: WTO Secretariat.

3.5 Policy developments in agriculture

3.86. 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 CoA has also been tasked with the monitoring of the implementation of specific outcomes reached under the agriculture negotiations. Additionally, it 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 the impact of the COVID-19 pandemic on global agriculture and food systems and monitoring governments' policy responses to address its effects and aftershocks. From MC12, this discussion has been guided by the overall framework of the Ministerial Declaration on the WTO Response to the COVID-19 Pandemic and Preparedness for Future Pandemics.[38]

3.87. During the review period, the CoA held three regular meetings, on 27-29 November 2023, 23-24 May, and 25-26 September 2024.[39] Members posed a total of 642 questions, of which 280 questions concerned SIMs under Article 18.6, 331 questions concerned individual notifications, 23 questions concerned overdue notifications, and 8 questions were in relation to the follow-up to the Nairobi Decision on Export Competition.[40] Domestic support continued to dominate discussions in the Committee. About 84% of questions under individual notifications and 47% of SIMs under Article 18.6 concerned domestic support policies.

3.88. Of the 117 SIMs raised during the review period, 64 were raised for the first time. Half of the new SIMs (33) concerned domestic support policies. Members sought clarification on support policies targeting specific sectors or products, including cereals (Costa Rica's rice policy; United States Farm Food and National Security Act), coffee (Costa Rica's Low-Carbon Coffee Nationally Appropriate Mitigation Actions (NAMA)), cotton (China's domestic support for cotton), dairy (Canada's dairy innovation and investment fund; New Zealand's support to milk industry), fruits and vegetables (Morocco's support to citrus exports; Morocco's vegetable and fertilizer subsidies; Paraguay's support to potato and onion producers), livestock (Argentina's support to beef producers; Australia's policy to sheep industry; China’s Interim Implementation Plan to Manage Swine Production Capacity; France's new livestock support package), rapeseed (China's subsidies on rapeseed varieties), and seaweed (Indonesia's support to Seaweed Association (ARLI)). There were 19 SIMs raised on domestic support policies with a wider sectoral scope implemented by Australia, Brazil, China, Costa Rica, the European Union, Indonesia, New Zealand, the United Kingdom, the United States, and Uruguay

3.89. Measures potentially limiting market access was the second area of interest in the CoA. Some 40 questions concerning notifications and 30 concerning SIMs were raised during the review period. On notifications, most questions (33) concerned imports under tariff rate quotas (TRQs). Out of the 30 SIMs concerning market access policies, 16 were discussed for the first time. These new SIMs related to policies potentially affecting market access of specific products or groups of products including alcoholic beverages (Angola's high-security tax stamps for alcoholic beverages; Mozambique's strip-stamps on alcoholic beverages), cereals (Pakistan's trade restrictions on wheat flour), fruits and vegetables (Kazakhstan's import restriction on apples), livestock and poultry (Mozambique's import quotas for chicken; Namibia's import restrictions on poultry and pork; Panama's restriction on the importation of pork products; Togo's import restriction on frozen poultry). The remaining SIMs concerned broader market access policies and commitments (Brazil's merchant marine renewal tax (MMRT); Dominican Republic - Tax on transfer of goods and services (ITBIS); Egypt's Halal Certification Requirements; Egypt's import licensing requirements for certain agricultural and processed products; the European Union measure on Russian agricultural exports; the Philippines' Minimum Access Volume; Türkiye's transport tax on imported goods; and the United States' No Russian Agriculture Act).

3.90. Measures that potentially limited or restricted exports of foodstuffs were also subject to several specific questions in the Committee during this period. The new SIMs raised during the review period on this area concerned Argentina's export licence for grains and oilseeds; Côte d'Ivoire's export suspension of certain foodstuffs; Egypt's export restriction on onions; Jordan's exports of certain foodstuffs; Malawi's export ban for raw soya beans; Morocco's export ban of olive oil; Morocco's export restriction on olive oil; Myanmar's export restriction on rice; Pakistan's export ban on onions and bananas; and Pakistan's regulatory duties on the export of molasses. The main thrust of these questions was on assessing the consistency of the measures with the relevant WTO

[38] WTO document WT/MIN(22)/31 WT/L/1142, 22 June 2022.

[39] WTO documents G/AG/R/108, 22 January 2024; G/AG/R/110, 22 July 2024; and G/AG/R/111, to be issued.

[40] Questions can be accessed through the compilation of questions issued for each CoA meeting under WTO documents G/AG/W/243, 17 November 2023 (27-29 November meeting); G/AG/W/246, 8 May 2024 (23-24 May meeting); and G/AG/W/249, 11 September 2024 (25-26 September meeting). All questions and answers are available in the Agriculture Information Management System (AG-IMS).

rules, ascertaining how the interests of affected importing Members were considered, and underlining the importance of timely ER notifications to the Committee.

3.91. A total of 54 SIMs discussed during the period under review 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 seven SIMs that have been raised between 10 and 24 times in different CoA meetings attracting as many as 70 questions (Canada's new milk ingredient class - raised 24 times; Canada's review of the TRQ system - raised 15 times; India's public stockpiling and Thailand's paddy pledging scheme - raised 14 times each; Canada's tariff-rate quota for cheese - raised 11 times; EU's deforestation and forest degradation strategy and Nigeria's import prohibitions on certain agriculture products-raised 10 times each). Other agricultural policies from 25 Members were also the subject of repeated concerns under Article 18.6.[41]

Food security, technology transfer

3.92. Food security has remained high on the agenda of the CoA, especially since the outbreak of the COVID-19 pandemic. Pursuant to the mandate in paragraph 8 of the Ministerial Declaration on the Emergency Response to Food Insecurity[42], on 17 April 2024, the CoA adopted at a special meeting[43] the report and recommendations of the work programme to consider the food security concerns of LDCs and NFIDCs.[44] The adopted recommendations cover several important aspects, including export restrictions, international food aid, the contribution of the WTO agricultural subsidy framework to enhancing agricultural productivity and resilience, and inter-agency collaboration on food security. Additionally, the Working Group on Trade, Debt, and Finance (WGTDF) has been tasked with conducting a targeted examination of specific concerns raised by LDCs and NFIDCs regarding the financing of food imports.

3.93. Based on the African Group's submission on "The Role of Transfer of Technology in Resilience Building: Agriculture" (G/AG/W/238 and other symbols), the Committee organized thematic sessions to explore the potential contribution of technology transfer to food security, including through the sharing of country experiences. During the two thematic sessions held thus far in 2024, Members deliberated on issues related to the creation, dissemination, and absorption of technologies across the farm value chain. The discussions also highlighted the role of agricultural technologies in attracting investment, boosting productivity, and enhancing resilience. Technological needs and challenges faced by smallholder farmers, as well as the importance of strengthening their capacities to adapt to and build resilience against weather variability and climate change, featured prominently in the thematic sessions.

3.94. References to the war in Ukraine featured prominently in the CoA's discussions, both within the broader dialogue on food security under the dedicated work programme targeting the food security concerns of Least-developed and Net Food-Importing Developing Countries, and within the Committee's Q&A-based review process. Contributions by international organizations, particularly in describing grain market developments, also frequently addressed geopolitical developments in the Black Sea region, given the prominent roles of the Russian Federation and Ukraine in the global grains market. Several Members expressed concerns over the ongoing war in Ukraine and its serious impact on global food security. The Russian Federation submitted written questions, covering issues such as economic and trade sanctions, port restrictions, customs duties exceeding WTO bindings, prohibitions on access to ports, and banking and financial restrictions.

3.95. The following box on export restrictions for selected agricultural products was contributed by the Organization for Economic Cooperation and Development (OECD).

[41] Angola, Argentina, Australia, Brazil, Burkina Faso, Cameroon, Canada, China, Côte d'Ivoire, the European Union, Iceland, India, Japan, the Republic of Korea, New Zealand, Norway, Panama, the Philippines, South Africa, Tajikistan, Tanzania, Thailand, Türkiye, the United Arab Emirates, the United Kingdom, and the United States.
[42] WTO document WT/MIN(22)/28, WT/L/1139, 22 June 2022.
[43] WTO document G/AG/R/109, 26 April 2024.
[44] WTO document G/AG/38, 17 April 2024.

Box 3.2 OECD database on export restrictions on staple crops

To reduce the uncertainty surrounding export restrictions on staple foods and help market participants and policy makers develop more effective responses, it is crucial to monitor them in a consistent and transparent way. The OECD has developed a database on export restrictions on staple crops (maize, rice, wheat, and soybeans) from 2007 onwards for the G20 Agricultural Market Information System (AMIS) initiative.[a] The database gathers information on six export-restrictive measures[b], i.e. export prohibitions, export quotas, export taxes, licensing requirements, minimum export prices, and restrictions on customs clearance point for exports.

The database provides detailed information for country-specific analysis and presents the information in an aggregate way so as to allow comparisons across countries, measures, and commodities. The structure of the database facilitates tracking the evolution of these export restrictions over time.

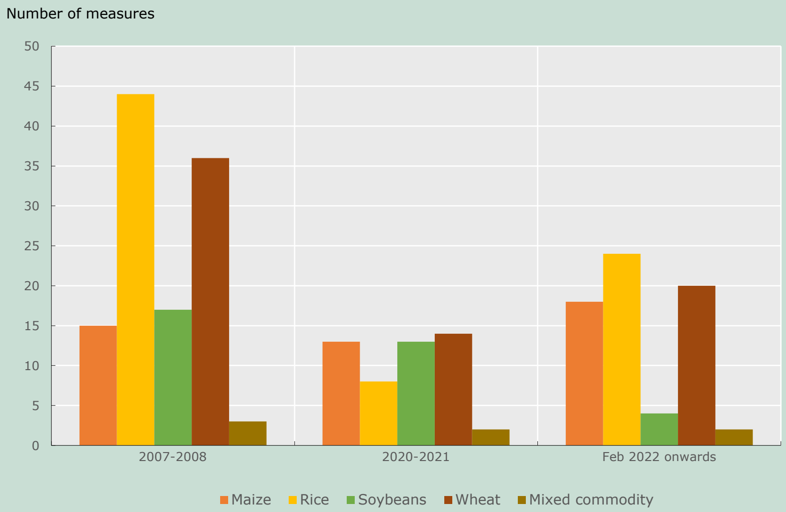
The OECD paper "*Export Restrictions on Staple Crops Since 2007: An Overview Based on the OECD Database on Export Restrictions on Staple Crops*" (OECD, 2024) uses this database to highlight and analyse key trends in export restrictions between January 2007 and April 2024.

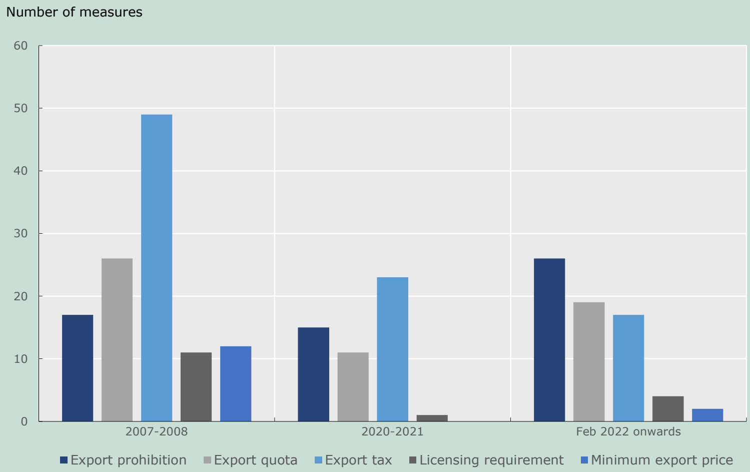
Data collected between January 2007 to April 2024 show an increased use of export restrictions during the global food price crisis of 2007-08, the COVID-19 pandemic, and following the outbreak of the war in Ukraine. The first crisis witnessed a significantly higher use of export restrictions than the two subsequent crises, suggesting that AMIS and international political collaboration have contributed to leaving food trade open. During the first two crises, export taxes prevailed, while prohibitions have been more prominent during the war in Ukraine.

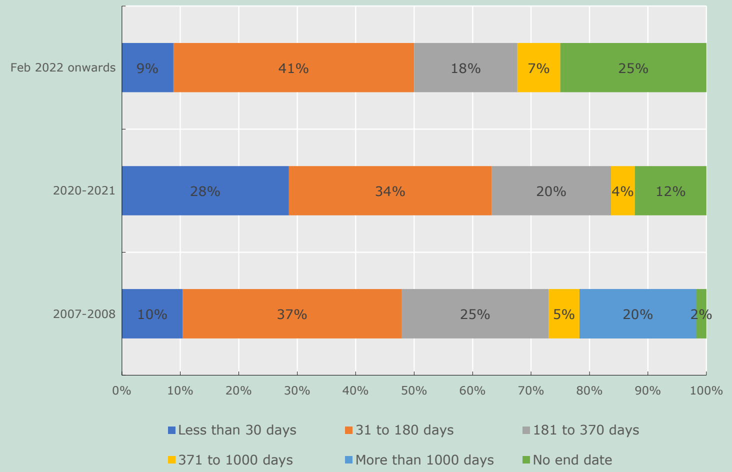
The analysis shows that **the type of export restriction most commonly used between January 2007 and April 2024 varied by commodity.** Maize experienced predominantly export taxes and prohibitions, while minimum export prices and quotas were frequently used for rice. Soybeans were primarily targeted by export taxes, whereas a mix of export quotas and taxes were used for wheat.

The composition and duration of export restrictions differed between the three periods. Rice was the most targeted staple crop, followed by wheat, during the global food price crisis, whereas wheat, soybeans and maize were the most targeted crops during the COVID-19 pandemic. Rice, followed by wheat, has been the most targeted crop since the war in Ukraine began. Export taxes were most frequently used during the global food price crisis, followed by export quotas and export prohibitions. During the COVID-19 pandemic, export taxes were the primary measure introduced, followed by export prohibitions and export quotas. Export prohibitions were the most frequent during the war in Ukraine, followed by export quotas and taxes.

Figure 1 Overall composition and duration of export restrictions on staple crops for the three periods: Food price crisis, COVID-19 pandemic, and the war in Ukraine







Note: The food price crisis period corresponds to 2007-08, the COVID-19 pandemic corresponds to 2020-21, and the war in Ukraine corresponds to the period from February 2022 (start of the war) to April 2024 (most recent update of the database).

Source: OECD database on export restrictions on staple crops. Viewed at: https://www.oecd.org/en/topics/sub-issues/agro-food-trade/export-restrictions-on-staple-crops.html.

Export restrictions were relatively short-lived during the COVID-19 pandemic, with 28% lasting less than a month, whereas only 10% of export restrictions during the global food price crisis and the war in Ukraine lasted less than a month. During the global food price crisis, 25% of export restrictions lasted more than a year.

Between January 2007 and April 2024, only a small proportion of export restrictions lasted less than a month. Around 45% of export bans introduced during this period lasted between one and six months, and around 50% of export quotas lasted between six months and one year. Export taxes tended to last longer than bans and quotas, with more than a quarter (26%) of export taxes lasting for longer than a year.

Among all AMIS members, Argentina and India implemented the highest number of export restrictions on staple crops during the food price crisis. During the COVID-19 pandemic, Argentina and the Russian Federation were the most frequent users of these measures, whereas during the war in Ukraine, the Russian Federation, followed by India, introduced most of the export restrictions.

a AMIS is an inter-agency platform that aims to avoid or mitigate food price crises by enhancing the transparency of food markets and policy responses. The OECD and WTO lead the work on policy monitoring, reporting and analysis for AMIS. Each month, they prepare the policy developments section in the AMIS Market Monitor.

b Most of these export restrictions are prohibited under World Trade Organization (WTO) rules, with exceptions that allow their use under certain circumstances, except for export taxes, which are allowed under WTO rules. The OECD database includes export taxes, however, since they restrict exports.

Sources: OECD, www.amis-outlook.org and OECD (2024), "Export restrictions on staple crops since 2007: An overview based on the OECD database on export restrictions on staple crops", OECD Food, Agriculture and Fisheries Papers, No. 210, OECD Publishing, Paris, https://doi.org/10.1787/ccfa8a95-en.

3.6 General and economic support measures

3.96. Between the creation of the Trade Monitoring Exercise in late 2008 and July 2017, the Trade Monitoring Reports included a separate Annex on economic support measures introduced by governments during the review period. Since July 2017, this Annex has no longer been included in the Reports, partly due to the low response rate of WTO Members to the request for information on such measures, and partly because such an Annex was biased against those Members that have maintained a high level of transparency regarding such policies.

3.97. Discussions among delegations in TPRB meetings have addressed the issue of the low response rate with respect to support measures and the lack of transparency that often surrounds such measures, including important details such as duration, objectives, and financial disbursements. At TPRB meetings, many delegations have consistently emphasized the need to preserve and strengthen transparency through the Trade Monitoring Exercise with respect to support measures. These calls were particularly prominent in the context of the COVID-19 pandemic as authorities were trying to identify and understand the multitude of support measures implemented in response to the pandemic and their potential impact on trade.

3.98. From the early stages of the pandemic, the WTO Trade Monitoring Exercise became the coordinator and repository of the full range of trade and trade-related measures taken in response to the health crisis, including broader government support measures. This Secretariat initiative was widely welcomed by delegations as a fundamental transparency feature that allowed governments to learn about the policies put in place by other Members. WTO Members and Observers have communicated directly to the WTO Trade Monitoring section regarding pandemic-related measures introduced and these measures have been shared online by the WTO Secretariat in the original language of the submission.[45]

3.99. 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 the emergency response to a crisis, may affect trade in some way, it is often difficult to conclude that they restrict or facilitate trade (and by how much), or that they distort competition. Nevertheless, providing a brief overview of such measures taken during the review period represents an important element of transparency regarding trends in policy choices that may impact the international trading system.

3.100. Between mid-October 2023 and mid-October 2024, 41 WTO Members[46] volunteered information on 328 support measures (compared to 233 in the previous Annual Overview) in response to the Director-General's 6 March and 2 September 2024 requests for information for this Trade Monitoring Report.[47] The Secretariat's own research suggests that during the review period several other support measures, including industrial policy packages with potentially important implications for trade, were implemented.

3.101. Recent studies refer to the increasing number of industrial policies by governments. According to a 2024 OECD "The return of industrial policies" report,[48] global economic crises over the past two decades have seen an increase in government interventions to boost economic and social stability and these calls urged the authorities to wield trade, foreign investment and industrial policies to improve economic security by limiting dependency on foreign economies, diversifying supply chains for critical components and services, and developing domestic production capacities. Industrial policies have also been prevalent in the context of the decarbonization of economies. A

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

[46] Albania; Argentina; Cameroon; Canada; the European Union (counting the EU-27 and its member States separately); Honduras; Hong Kong, China; Mauritius; Montenegro; Mozambique; Myanmar; Singapore; Thailand; and Viet Nam.

[47] These measures were not related to the COVID-19 pandemic. During the review period, very few COVID-19-related support measures were communicated to the Secretariat and were mainly related to extensions, renewals, or terminations of measures.

[48] Millot and Ł. Rawdanowicz (2024), "The Return of Industrial Policies: Policy Considerations in the Current Context", *OECD Economic Policy Papers*, No. 34. Viewed at: https://doi.org/10.1787/051ce36d-en.

2024 IMF Working Paper[49] highlights that industrial policy has gained increased prominence in public discourse over the last several years and that this renewed interest comes as governments have sought effective tools and strategies to remedy the fallout from multiple, compounding crises, coupled with intensifying geopolitical tensions and conflicts, including over territory, resources, and leadership in new technologies and also unmet public demand for climate mitigation and adaptation strategies.

3.102. According to the measures communicated by WTO Members, and those identified by the Secretariat, the number of new support measures introduced by governments significantly increased during the review period. Numerous support measures introduced were climate change-related measures, environmental impact reduction programmes, and energy transition projects and to further support the transition to a low-carbon, more resource-efficient, and sustainable economy. During the review period, many measures were linked to the effects of the war in Ukraine.

3.103. Several measures were also introduced to support the agricultural and food sectors, the fisheries and aquaculture sectors, and the forestry sector. Some of these measures included fertilizer subsidy schemes or measures targeting research, development, and innovation activities related to fertilizers. Others provided support for the modernization of the agricultural sector, investment in infrastructure and agricultural technology, support to areas affected by drought and high temperatures, and support to specific agricultural sectors.

3.104. Other measures introduced during the review period provided funds and incentives to automotive manufacturing, including electric and autonomous vehicles, semiconductors, and batteries. Aid schemes targeting transportation, aviation, and health-related activities were also among the measures identified. Other aid programmes were aimed at supporting women's empowerment, skills development programmes for young people, and the creation of jobs in the green economy. Funds and incentives were also provided for technological development and innovation, support to business and SMEs, and export-related activities.

3.105. Several of these support measures were introduced by governments as multi-year programmes, while others were one-off grants or aid schemes.

3.106. The following box on industrial subsidies was contributed by the Organization for Economic Cooperation and Development (OECD).

Box 3.3 Emerging evidence on the scope, scale and impacts of industrial subsidies

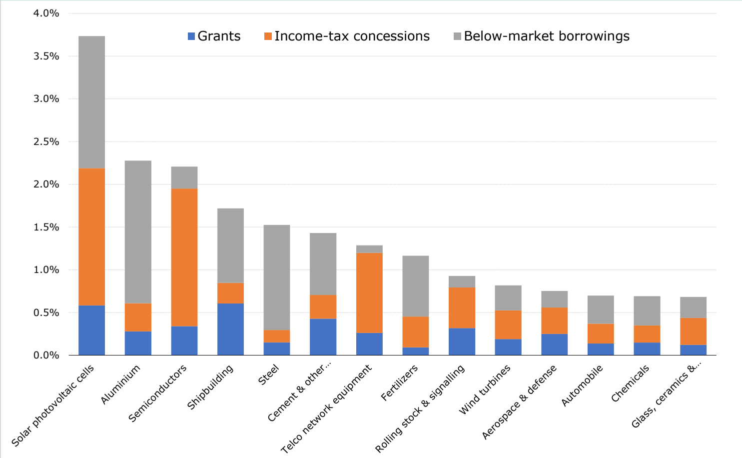
While government support has long been a core issue in trade policy – most notably in agriculture (see OECD Agricultural Policy Monitoring and Evaluation 2023) - attention is now being paid to industrial sectors because of the potential for support to distort trade flows. Yet evidence on the scope, scale, and impacts of industrial subsidies at the international level has only recently begun to emerge, with the task made difficult by governments' lack of transparency on the subsidies they provide to manufacturers.

The OECD has been contributing to building the knowledge base on industrial subsidies since 2017. In response to the lack of sufficient information from governments, the OECD has worked to identify and quantify subsidies at the level of individual manufacturing firms, focusing on 482 of the largest industrial groups operating across 14 industrial sectors over the period 2005-22. The firm-level approach sheds light on government support provided by subnational jurisdictions and has made it possible to see support taking complex forms such as that provided through the financial system, often via state enterprises acting as subsidy providers (e.g. state banks issuing below-market loans to industrial producers).

Government support is found to vary considerably by sector, with some sectors relying relatively more on below-market borrowings (e.g. heavy industries) and others more on corporate tax concessions (e.g. semiconductors and telecom network equipment) (Fig. 1). Relative to the firm revenue, the production of solar cells and modules has been the largest recipient of subsidies over the period 2005-22, followed by aluminium and semiconductors.

[49] S. Evenett, A. Jakubik, F. Martín, and M. Ruta (2024), "The Return of Industrial Policy in Data", IMF Working Paper WP/24/1. Viewed at: https://www.imf.org/en/Publications/WP/Issues/2023/12/23/The-Return-of-Industrial-Policy-in-Data-542828.

Figure 1 Industrial subsidies by sector, average for 2005-22
(% of annual firm revenue)



Source: OECD.

The ownership structure of companies covered also reveals the role played by large state enterprises in industrial supply chains. State enterprises have generally been larger recipients of industrial subsidies than private firms in relative terms (Fig. 2a). Despite this, they also tend to underperform financially, achieving lower returns on their assets than private firms. The gap in performance is even larger when accounting for the fact that subsidies can generate a misleading view of firm performance by inflating profits (Fig. 2b).

Figure 2a Subsidies in 14 key industrial sectors (% of firm revenue over 2005-22)

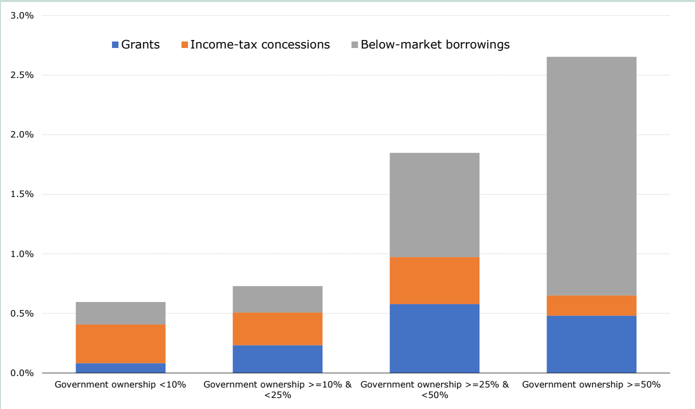
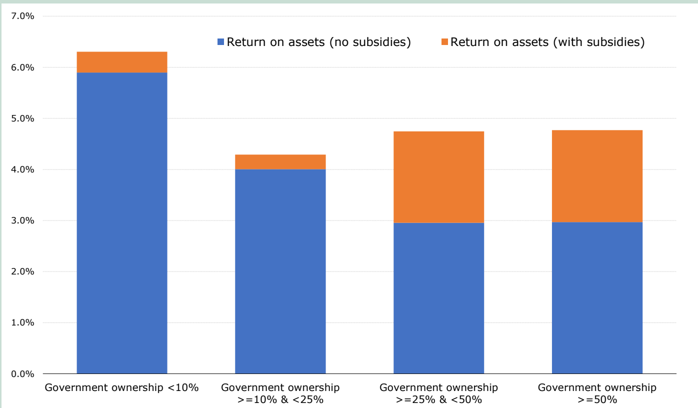


Figure 2b Average return on assets by ownership category, 2005-22



Note: The counterfactual of no subsidies shown in Fig. 2b is a hypothetical accounting exercise and does not represent what would actually happen were subsidies to be removed.

Source: OECD (2024), "Quantifying the Role of State Enterprises in Industrial Subsidies", OECD Trade Policy Papers, No. 282, OECD, Paris.

Crucially, state enterprises are not just large recipients of subsidies, but are also providers of support themselves, such as where they provide financing, energy or inputs to other firms at below-market prices. The role of state enterprises as both recipients and providers of government support underscores the need for greater transparency on government investment in firms.

Source: OECD.

3.107. The following box on industrial policy dynamics was contributed by Global Trade Alert (GTA).

Box 3.4 Industrial policy: emerging dynamics

Industrial policy is gaining momentum with links frequently made to the digital and energy transitions. Many policymakers advocate for more frequent use of industrial policies compared to the past. These policies involve targeted or selective government interventions designed to develop or support specific local firms and sectors, with goals that may be economic or non-economic in nature.

Renewed interest in industrial policy must be viewed in context. First, industrial policy is not new, but is now being used to achieve a wider range of public policy goals. Governments are citing new rationales, reflecting current challenges like the low-carbon transition and national security. Secondly, what is new is that some high per capita income economies, which previously eschewed industrial policy, are now embracing it.

Implementation of industrial policy measures can create cross-border spillovers, which may provoke retaliation or trigger the adoption by trading partners of other commercial measures, including raising trade barriers. Concerns have been raised about potential tensions between open markets and industrial policies. For some, transparency and sharing of best practices are at a premium.

The New Industrial Policy Observatory 2.0 (NIPO 2.0) tracks industrial policy measures in 76 economies announced or implemented since 1 January 2017. NIPO 2.0 leverages Global Trade Alert's machine-driven data collection and human-verified information on policy changes, which includes scraping over 800 official websites per week. Each entry documented by the GTA team includes at least one credible promise of policy change that, if implemented, would alter competitive conditions for firms in domestic or international markets.

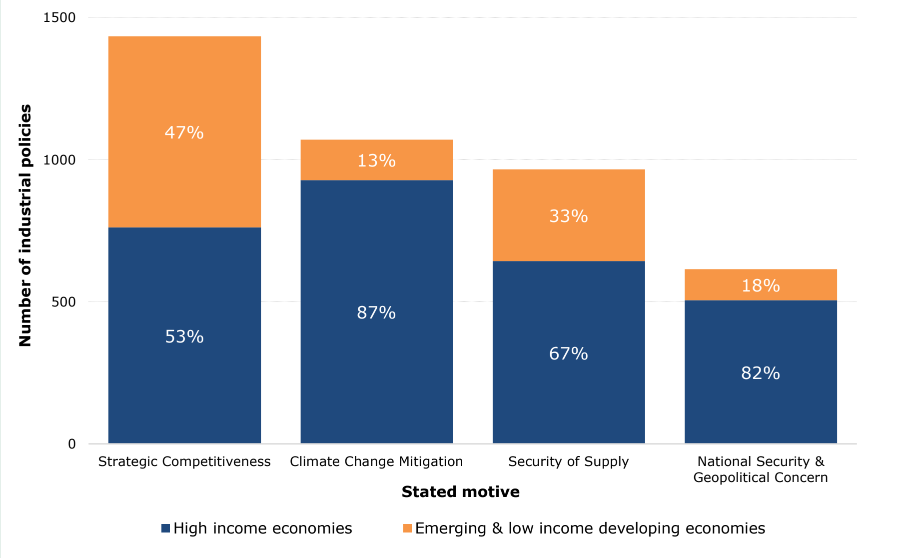
Given the evolving nature of industrial policy, NIPO 2.0 was designed to track several dimensions. First, the rationale stated by the implementing government is recorded. Second, the sectors or technologies frequently mentioned in industrial policy deliberations are tracked, for example dual-use items, low-carbon technologies, or advanced technological products.

Third, industrial policy measures are sorted into different groups of policy instruments. This reflects the reality that contemporary industrial policy goes beyond financial grants and includes export and import regulations or other behind-the-border measures including, public procurement or localisation measures. Finally, industrial policy interventions that liberalize commercial flows are also tracked.

By examining the rationales provided in official documentation pertaining to industrial policies, distinct patterns emerge. Figure 1 shows a clear divide in the stated goals of industrial policies. One notable finding is that despite the frequent mention of national security and geopolitical rationales for contemporary industrial policy initiatives, the most common stated motive is promoting competitiveness.

In addition, there are differences based on per capita income levels in terms of stated industrial policy objectives. For example, 87% of industrial policies aimed at addressing global warming or transitioning to a low-carbon economy are being implemented by high per capita income economies (following the definition employed by the International Monetary Fund). National security and geopolitical concerns seem to be concentrated in specific countries.

Figure 1 Industrial policies implemented since January 2023 by stated motive and income level



Source: NIPO and GTA.

Industrial policy not only varies in stated motive across income levels but also in the policy mix adopted. The Product Complexity Index (PCI) can be used to measure the sophistication of the expertise associated with producing goods favoured by industrial policies.[a] High PCI values indicate policies targeting complex products, such as advanced machinery, electronics, and chemicals, while low PCI values correspond to simpler products, such as raw materials and basic agricultural goods.

Table 3.14 reveals the variation in product complexity across policy instrument and degree of discrimination. Trade-distortive public procurement (63rd percentile), localisation policies (61st percentile), and domestic subsidies (59th percentile) tend to focus on more complex products or technologies, in contrast to traditional trade restrictions.

There are significant differences between the complexity of products affected by export restrictions and those impacted by the liberalisation of export and import policies. Liberalisation of export controls tend to applied to less complex products (48th percentile), whereas complex products benefit from liberalising import measures (61st percentile). There appears to be a tendency to grant better market access to advanced foreign technologies while restricting the export of similar high-end goods produced domestically.

The term "industrial policy" has become increasingly broad and it is not surprising that some newer policies do not exclusively target high-end products typically associated with structural economic transformation. The fact that certain favoured products are less sophisticated has raised concerns that recent industrial policy interventions may be defensive in nature.

Table 3.14 Economic complexity of industrial policies by policy instrument

Policy Instrument	Trade-Distortive Industrial Policies (Percentile)	Liberalising Industrial Policies (Percentile)
Domestic Subsidy	59	52
Export Incentive	57	52
Export Policy	56	48
Foreign Direct Investment	58	54
Import Policy	56	61
Localisation Policy	61	57
Public Procurement	63	65
Trade Defence	60	52

Note: This analysis reveals that the complexity of industrial policies varies across the policy instruments used to deploy official industrial strategies. For example, in the case of a subsidy, it examines the degree of complexity of the products whose local production is encouraged; in the case of a trade barrier, it looks at the products covered by the restriction. While distortive industrial policies are defined as policy interventions whose proposal discriminates against foreign commercial interests by restricting market access, liberalising policies open market access on a non-discriminatory (i.e. most favoured nation) basis.

This time, with access to higher-quality data, officials are in a much better position to analyse the dynamics of industrial policy and its consequences. Although governments often articulate their motives for implementing these policies, in practice precise target outcomes are rarely specified. This lack of clarity will complicate *ex post* assessments of effectiveness, making it difficult to draw conclusions about what defines a successful industrial policy initiative. Since it is still too early to determine whether the new wave of industrial policy has been effective, what can be observed is a clear resurgence of selective policy interventions aimed at reshaping specific firms, sectors, and technologies.

a Available at: https://oec.world/en.

Source: Global Trade Alert.

3.7 Other selected trade policy issues

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

General Council

3.109. During the reporting period, the General Council made significant progress in preparations for MC13 and beyond, maintaining overall responsibility for advancing the agenda. Notable outcomes emerged at the General Council meetings of October and December 2023, where consensus was reached on the extension of unilateral duty-free and quota-free preferences for countries graduating from the LDC category, and to transmit to MC13 the draft decision on the Work Programme on Small Economies for formal adoption by Ministers.

3.110. Members also addressed pressing issues through novel, innovative formats of engagement. This included a Senior Officials' Meeting in October 2023, which focused on agriculture, including food security, trade and development, fisheries, dispute settlement reform, trade and industrial policy, and trade and environmental sustainability. In February 2024, at MC13 Ministers engaged for the first time in Ministerial conversations on issues such as trade and inclusion as well as trade and sustainable development, including trade and industrial policy and policy space for industrial development. A forward-looking retreat in July 2024, geared towards actionable suggestions, provided a platform for frank, off-the-record conversations on WTO decision-making and the way forward.

3.111. These innovative formats, along with formal General Council meetings, have also served to address trade-related concerns raised by Members, for instance, in the context of trade and industrial policy, and policies related to supply chains free from deforestation and forest degradation. WTO reform, including "Reform by Doing", has been a recurring issue at meetings of various WTO bodies, including at the General Council. The General Council continued to pursue follow-up work on the Ministerial Declaration on the WTO Response to the COVID-19 Pandemic and Preparedness for Future Pandemics, including by preparing a factual report to MC13. The General Council has also overseen facilitator-led processes on dispute settlement reform and e-commerce in light of continued mandates emerging from MC13. Post-MC13 meetings of the General Council addressed various 21st-century topics raised by Members in connection with the 30th anniversary of the WTO, such as development matters and sustainable agriculture. At the General Council, delegations have already begun work towards MC14 to be held in the first quarter of 2026.

Aid for Trade

3.112. The Aid for Trade initiative was launched at the WTO Ministerial Conference in December 2005. The 9th Global Review of Aid for Trade was held from 26 to 28 June 2024. It brought together over 1,000 participants to examine in over 60 sessions three main themes - food security, digital connectivity, and trade mainstreaming. The discussions highlighted that trade integration was essential for achieving structural transformation and economic diversification. The emphasis was also placed on ensuring access to finance with a view to supporting small business and women's economic empowerment. The need for ensuring food supply chains' sustainability and resilience was also highlighted. Advancing multilateral trade negotiations on agriculture and fisheries subsidies was another cross-cutting theme emerging from the discussions on food security. It was also noted that greater integration of developing countries, including LDCs, into digital trade can bring new trade opportunities.

3.113. The joint OECD-WTO publication "Aid for Trade at a Glance" was also launched during the Global Review. The report found that since the start of the Aid for Trade initiative in 2005, over USD 648 billion had been disbursed to strengthen infrastructure, bolster productive sectors, and build strong trade institutions. In 2022, Aid for Trade disbursements reached a record high of USD 51 billion.

3.114. Over 60% of Aid for Trade disbursements were by bilateral donors, with multilateral donors accounting for the rest. In 2022, 70% of Aid for Trade went to Africa and Asia. In terms of sectors, 54% of Aid for Trade was allocated to economic infrastructure, followed by support to productive sectors (44%). Meanwhile, Aid for Trade disbursements to trade policy and regulations accounted for less than 2% in 2022.

3.115. The findings of the Aid for Trade monitoring and evaluation exercise highlighted that both developing countries and development partners identified agriculture, digital trade and trade facilitation among the top areas in need of continued Aid for Trade support. The role of Aid for Trade in supporting green transition and fostering inclusion was also recognized.

Committee on Rules of origin

3.116. Since mid-October 2023 no specific trade concerns have been raised at the Committee on Rules of origin. Members have continued to actively engage in discussions about specific aspects of preferential rules of origin and how such rules impact the ability of least-developed countries to utilize non-reciprocal trade preferences. In some instances, least-developed countries have expressed concerns about specific aspects related to the rules of origin and other origin requirements applied by WTO Members who grant trade preferences.

Committee on Trade and Development

3.117. At the meeting of the Committee on Trade and Development (CTD) held on 17 and 24 November 2023[50], discussions continued on the communication from India and South Africa titled "Global Electronic Commerce for Inclusive Development".[51] The communication states, *inter alia*, the importance of examining the development needs of developing countries to bridge the digital divide and ensure inclusive global economic development, and draws attention to the limited ability of developing countries to impose tariffs on the growing imports of electronic transmissions as a result of the existing Moratorium on customs duties on electronic transmissions.

3.118. At the same meeting, the African Group presented a communication titled "Reinvigorating the work under the 1998 Work Programme on Electronic Commerce: A development approach to the Work Programme on E-Commerce".[52] The communication advocates for a development approach to the Work Programme that should be based on outcomes that, *inter alia*, support digital industrialization, address the digital divide, and provide policy space for developing countries to develop enabling legal and regulatory frameworks based on their needs and priorities. The communication also proposes that the Work Programme be a standing item in the subsidiary bodies charged with its implementation, including the CTD. The communication was discussed again in a subsequent meeting of the CTD in April 2024,[53] following the Decision taken at MC13 on the WTO's Work Programme on Electronic Commerce.[54]

3.119. At the same meeting, the CTD considered a communication by the United States regarding the better integration of developing economies in the SPS and TBT Agreements.[55] The document refers to the thematic session on this topic held in Special Session of the CTD on 4 October 2023. Furthermore, a communication by Brazil titled "Enhancing food security through the reform in agriculture and the use of current flexibilities" was discussed.[56]

3.120. The meetings of 17 and 24 November 2023 and 11 April 2024 also allowed for the consideration of communications from the African Group under the theme of policy space for

[50] WTO document WT/COMTD/M/122, 25 January 2024.
[51] WTO document WT/COMTD/W/264/Rev.1, 10 March 2023.
[52] WTO document WT/COMTD/W/283, 13 July 2023.
[53] WTO document WT/COMTD/M/123, 8 July 2024.
[54] WTO document WT/MIN(24)/38, 4 March 2024.
[55] WTO document WT/COMTD/W/285, 2 November 2023.
[56] WTO document JOB/COMTD/5, 19 October 2023.

industrial development.[57] Several submissions aimed at reinvigorating the discussions in the WTO on trade and transfer of technology were discussed in that vein.[58] A further communication by the African Group on policy space for industrial development[59] was discussed at the meeting on 16 July 2024.[60]

3.121. At the CTD meeting in July 2024, two submissions by India were discussed. The first took the 30th anniversary of the WTO as occasion to ask how the development dimension has progressed and concluded with some guiding questions on the way forward.[61] The second submission addressed the transfer of environmentally sound technologies to developing countries to address climate change.

3.122. Following the Ministerial Decision regarding the Work Programme on Small Economies, the Group of small, vulnerable economies (SVEs) presented outlines for the three mandated reports at the CTD's Dedicated Session on Small Economies on 16 July 2024.[62] Members discussed and agreed to the proposed outlines, tasking the Secretariat to prepare the respective reports before the next Ministerial Conference, starting with the topic of e-commerce. A thematic session with the topic "Green supply chains for development: the case of small economies" was held on the same day with presentations by several international organizations.

Council for Trade in Goods

3.123. The Council for Trade in Goods (CTG) met formally on three occasions during the review period. At the 30 November–1 December 2023 meeting[63], 44 trade concerns were raised, 8 of which were new issues and 36 had been previously raised. A persistently high number of issues and concerns have been elevated to the CTG after a first mention at the technical committee level. Several of these concerns appeared to have their origin in various political tensions and others appeared to result from unilateral trade-related environmental measures. Trade concerns were raised on a wide range of measures, including different types of quantitative restrictions, different aspects of technical barriers to trade, sanitary and phytosanitary measures, tariffs, subsidies, anti-dumping duties, local content requirements, alleged discriminatory domestic taxation or national treatment violations, import licensing requirements, and export controls. Other types of measures raised to a lesser extent included balance of payments and notification requirements. Most of the concerns raised targeted measures by the European Union (13), China (8), India (8), and the United States (7). Four trade concerns raised targeted groups of Members.

3.124. At the 30 April–1 May 2024 CTG meeting[64], 35 trade concerns were raised, slightly lower than at previous meetings. These concerns had been previously raised by Members, and most reflected the political tensions and unilateral environmental measures referred to previously. Two additional concerns raised by Uruguay under Other Business – targeting the European Union and the United Kingdom on modifications of concessions in the form of tariff rate quotas under Article XXVIII of the GATT 1994 after Brexit. Trade concerns were raised regarding a wide range of measures, including quantitative restrictions, technical barriers to trade, sanitary and phytosanitary measures, tariffs, subsidies, anti-dumping duties, local content requirements, domestic taxation, national treatment, import licensing requirements, and export controls. Other types of measures raised included balance of payments and notification requirements. Most of the concerns raised during the meeting targeted measures by the European Union (9), China (7), India (7), and the United States (5). Other trade concerns were raised against groups of Members.

3.125. At the 2-3 July 2024 CTG meeting[65], a total of 42 trade concerns were raised, of which 6 were raised for the first time and 36 had been previously raised. The total number of trade concerns is similar to the maximum level achieved over the past two years. The six new trade concerns that

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[57] WTO documents WT/COMTD/W/270, 1 March 2023; WT/COMTD/W/274, 26 May 2023 and WT/COMTD/W/284, 13 July 2023.
[58] WTO documents WT/COMTD/W/277, WT/COMTD/W/278, WT/COMTD/W/279, WT/COMTD/W/280, WT/COMTD/W/281 and WT/COMTD/W/282, 5 July 2023.
[59] WTO document WT/COMTD/W/291, 14 May 2024.
[60] WTO document WT/COMTD/M/124 (forthcoming).
[61] WTO document WT/COMTD/W/292, 7 May 2024.
[62] WTO document WT/COMTD/SE/W/48, 2 July 2024.
[63] WTO document G/C/M/147, 30 January 2024.
[64] WTO document G/C/M/148, 13 June 2024.
[65] WTO document G/C/M/149, 2 August 2024.

were raised at this meeting included measures regulating shipments of waste, technical regulations (on textiles quality and plywood and wooden flush door shutters), industrial policies, additional tariffs on cars, and investigations in the United States under Section 301. Most of the concerns targeted measures by the European Union (13), India (9), China (7), and the United States (6). Four trade concerns were once again raised against groups of Members.

Committee on Market Access

3.126. At the 16-17 October 2023 and 25-26 April 2024 meetings[66] of the Committee on Market Access (CMA), 71 trade concerns were raised, of which 8 were new. The new trade concerns covered a broad range of trade policy measures, such as unilateral licensing schemes for wheat; unilateral import restrictions for PCs and other electronics; restrictions on imports of aquatic products from Japan after the discharge of ALPS treated water in the sea; export Control Measures on Gallium and Germanium Products; Industrial Relevance Policies in the Offshore Wind Sector; marketing authorization for pharmaceutical products; automobile industry development policy; and quantitative restrictions on imports of pork.

3.127. Concerns were raised on measures by Angola (2); Australia (3); Canada (2); China (8); Chinese Taipei (1); Dominican Republic (2); Egypt (1); the European Union (8); India (14); Indonesia (4); Mexico (2); the Kingdom of Saudi Arabia (1); Nepal (2); Pakistan (2); Peru (1); Sri Lanka (1); Thailand (2); Türkiye (2); the United States (8); and Viet Nam (1). The remaining concerns were raised on measures adopted by several Members as a group.

Committee on Import Licensing

3.128. At the 21 May 2024 meeting of the Committee on Import Licensing[67], 11 recurring trade concerns were raised. Five concerns were raised regarding Indonesia's Commodity Balancing Mechanism, import licensing regime for certain textile products, compulsory registration by importer of steel products, import restrictions on air conditioners, and importer registration requests for agricultural, food and drink products. Three concerns were raised regarding India's import licensing measures on PCs, tablets, and other electronic product; importation of pneumatic tyres; and importation of viscose staple fibre (VSF). Additionally, Members expressed concerns regarding Angola's import licensing requirements, Egypt's import licensing requirements for certain agricultural and processed products, and Mongolia's new import licensing requirements for alcoholic beverages.

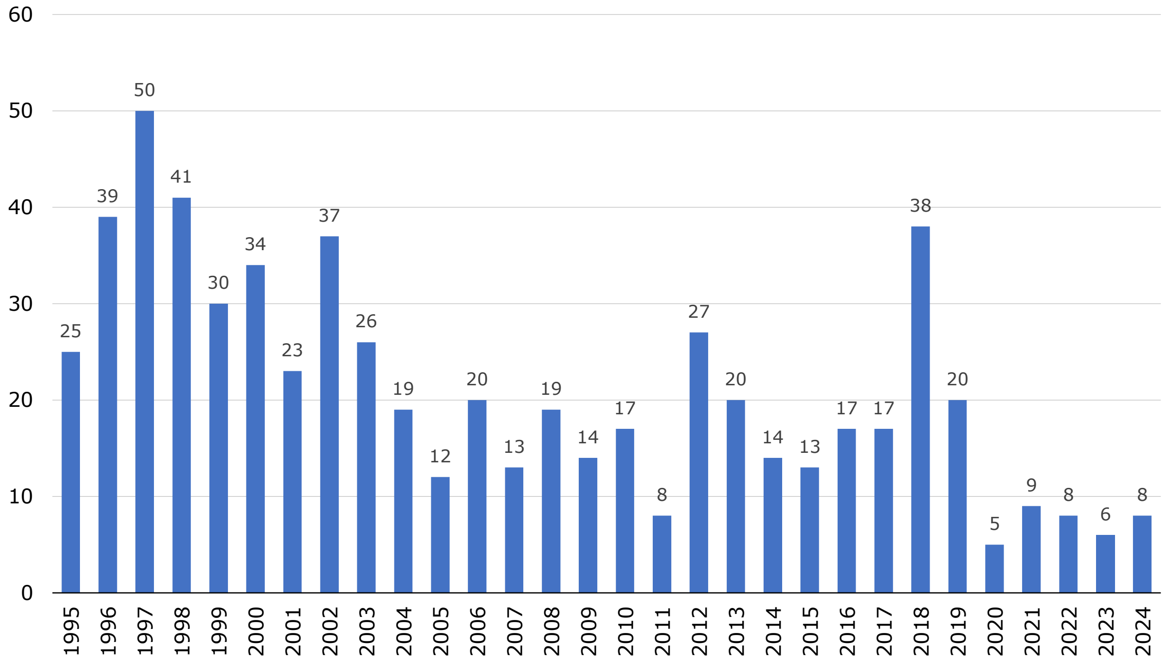
Dispute Settlement

3.129. Measures taken by a WTO Member can be the subject of dispute settlement proceedings when another Member believes that such measures violate an agreement or a commitment made in the WTO.[68] Between mid-October 2023 and mid-October 2024 (the review period), WTO Members initiated eight new disputes, all of which were filed between January and October 2024 (Chart 3.15). In addition, the WTO dispute settlement system continued to deal with proceedings that were initiated before the review period. At the end of September 2024, panel proceedings in seven disputes were ongoing.

3.130. 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 TRIMS Agreement, the Anti-Dumping Agreement, and the SCM Agreement. As in previous years, both developed and developing Members were involved in dispute settlement proceedings, as complainants, respondents, or third parties.

[66] WTO documents G/MA/M/79, 5 February 2024 and G/MA/M/80, 30 August 2024.
[67] WTO document G/LIC/M/58, 19 July 2024.
[68] Measures can also be challenged through dispute settlement proceedings if they nullify or impair benefits accruing to a Member under a WTO agreement, even without a violation.

Chart 3.15 Disputes initiated per calendar year 1995-2024



Note: Based on data for January to mid-October 2024.

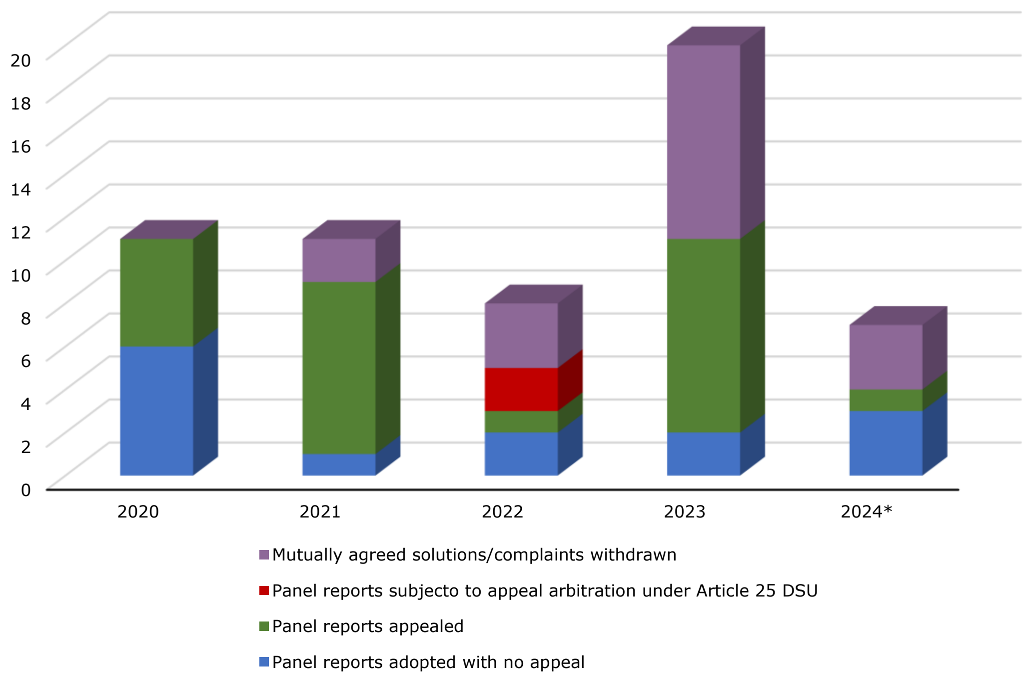
Source: WTO Secretariat.

3.131. During the review period, panels circulated reports in five disputes. In three of these disputes, the panel reports were adopted, while in another the report reflected that the parties had reached a mutually agreed solution.[69] Additionally, one panel report was appealed. Currently, this appeal cannot be 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.

3.132. In the absence of a functioning Appellate Body, WTO Members have resorted to other means to ensure effective resolution of disputes. Since the beginning of 2020, parties to 13 disputes have agreed to an alternative appeal mechanism based on arbitration proceedings under Article 25 of the DSU. Moreover, during the review period, parties to three disputes reached mutually agreed solutions that were notified to the DSB (Chart 3.16).

[69] In accordance with Article 12.7 of the DSU, the report of the panel contained a brief description of the facts of the case and reported that a solution has been reached.

Chart 3.16 Outcomes of disputes 2020-24



Note: Based on data for January to mid-October 2024.

Source: WTO Secretariat.

Electronic commerce

3.133. Discussions under the Work Programme on e-commerce and on the moratorium on customs duties on electronic transmissions intensified ahead of the Thirteenth Ministerial Conference (MC13). The Decision on the e-commerce Work Programme taken at MC13 instructs Members to reinvigorate this work with a particular focus on its development dimension. Ministers agreed to deepen discussions on e-commerce-related topics, building on work from previous Dedicated Discussions, and to further discuss scope, definition, and impact of the moratorium. The Decision calls for continued cooperation with other international organizations and engagement on the main trade-related challenges faced by developing countries and LDCs. The General Council is tasked with holding periodic reviews and reporting to the next Ministerial Conference with recommendations for action. The Decision also extends the moratorium until MC14 or 31 March 2026, whichever is earlier – on that date, both the moratorium and the Work Programme will expire.

3.134. In response to the MC13 Decision, work under the Work Programme resumed in July 2024, after the appointment by the General Council Chair of a facilitator. Members are exploring how to advance this work, what priority issues would need to be addressed and possible recommendations for MC14.

3.135. Under the Joint Statement Initiative, around 90 participants made substantive progress in the negotiations and have stabilized the text of an agreement on electronic commerce. The text contains articles that aim at enabling electronic transactions and promoting digital trade facilitation, ensuring an open environment for digital trade, and promoting trust in e-commerce. Work continues with a view to finalizing the agreement.

3.136. The following box on the topic of the digital transformation was contributed by the International Trade Centre (ITC).

Box 3.5 Enabling the digital transformation of small businesses

In a world reeling from a global pandemic and facing a worsening climate crisis, better business performance – especially of small firms – can help reignite economic growth, increase living standards and achieve many of the Sustainable Development Goals (SDGs).

Digital technologies hold the key to boosting firm productivity, and those businesses that use these tools more extensively benefit the most. An ITC survey showed that companies in Francophone Africa using technologies, including cloud storage or digital accounting, were twice as likely to report improved efficiency compared to firms relying on digital tools solely for communications purposes, e.g. emails or social media. They were also 40 % more likely to reduce costs.[a]

Whether firms make more advanced use of technologies depends on several factors. For example, the sector in which a firm operates influences its technological needs and use.[b] But the most critical factor lies in the presence and quality of digital enablers at the country level, including digital infrastructure, skills, and regulation. When enablers are in place, countries become digitally ready, which in turn raises their firms' ability to adopt and effectively use digital technologies.

Businesses transform when countries are ready

The Network Readiness Index (NRI), developed by the Portulans Institute, is one of many indices measuring a country's digital readiness.[c] The NRI is particularly relevant in assessing the extent to which digital enablers are present, by providing indicators on access (infrastructure), individuals (skills) and regulations.

'Access' evaluates the technological infrastructure that a country needs to engage in the global economy. 'Individuals' captures the proficiency, inclusivity and adeptness of a nation's population and entities in using technological assets. 'Regulations' assesses whether the right structures are in place to invigorate the networked economy and how far they reach.

To test whether – and to what extent – country enablers influence the digital transformation of firms, ITC gathered data from 7,402 enterprises across 78 countries. Based on this new firm-level dataset, ITC developed an Enterprise Digital Transformation Index (e-DTI)[d], and used it to classify firms into three groups: emerging, competent, or expert users of digital technologies.

Expert users are firms with the highest e-DTI values. They tend to have a comprehensive digital strategy and be always updated on the latest trends in digital technologies. Many allocate more than 25% of their operational expenses to digital solutions and use computers with greater computation power and fixed broadband.

Competent users are firms that fall within the middle tertile of the e-DTI distribution. They tend to have a digital strategy and a majority is always updated on digital technology developments. They usually spend less than 25% of their operational expenses and make greater use of personal computers or tablets than emerging users.

Finally, *emerging users* are firms scoring within the lowest tertile of the e-DTI distribution. Most of these companies lack a digital strategy and are not updated on new developments in digital technology. They tend to spend very little on digital solutions, relying primarily on smartphones and mobile broadband.

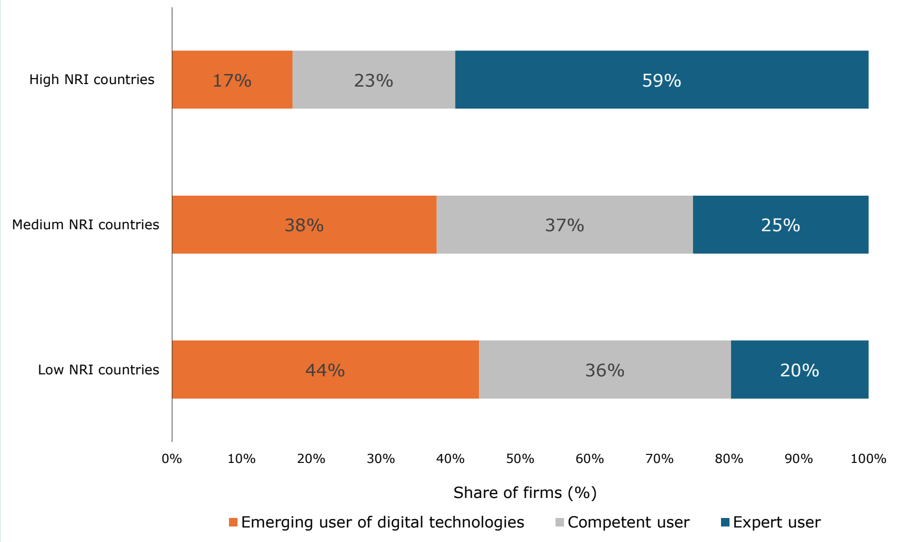
Cross-analysing country readiness and firm digital transformation send a clear message: while firms can and do differ in their level of digital adoption even when theoretically able to access the same infrastructure and skills, and operating under similar regulations, enablers matter – a lot. In countries with high digital readiness, nearly 60% of firms are expert users, compared to only 20% of firms in countries that are less ready. Hence the importance of ensuring that the key enablers of digital transformation are in place at the national level.

Building a Digital Future

To promote digital transformation, countries must invest in infrastructure, and develop relevant skills within a supportive regulatory framework. This requires policies that extend beyond the telecommunications sector, addressing new challenges posed by digital technologies and adopting a whole-of-society approach. Industry, governments, regulators, and international organizations must collaborate to create and implement a roadmap for digital transformation.[e] Platforms like the G20, OECD, and WTO can facilitate these collaborations, driving real impact.[f]

But small firms should not sit idle waiting for the environment to improve. They must act to – at least partially – make up for what the country lacks. The upcoming *SME Competitiveness Outlook* will provide concrete recommendations for small businesses, governments, lead firms and international organizations to leverage the power of digital technologies for inclusive and sustainable growth.

Digitally ready countries have more expert users[g]



a ITC, "SME Competitiveness in Francophone Africa 2022: Fostering Digital Transformation" (Geneva: International Trade Centre, 2022).

b Xavier Cirera et al., "Firm-Level Adoption of Technologies in Senegal", Policy Research Working Paper (The World Bank, May 2021). Viewed at: https://doi.org/10.1596/1813-9450-9657; Xavier Cirera, Diego Comin, and Marcio Cruz, *Bridging the Technological Divide: Technology Adoption by Firms in Developing Countries* (The World Bank, 2022), https://doi.org/10.1596/978-1-4648-1826-4; ITC, "SME Competitiveness Outlook 2022: Connected Services, Competitive Businesses" (Geneva, Switzerland: International Trade Centre, September 2022). Viewed at: https://intracen.org/resources/publications/sme-competitiveness-outlook-2022-connected-services-competitive-businesses.

c The technical details of how the NRI index is calculated and of how the elements of the index are selected is available at: https://networkreadinessindex.org/.

d Scores range from 0 to 100, with higher values indicating that firms are further ahead in their digital transformation path. The e-DTI comprises of six variables from the ITC Digital Transformation Survey: the type of devices and Internet connection used, uses for digital technologies, level of expenditure on digital tools, management awareness of digital advancements and existence of a digital strategy.

e ITU, "Benchmark of Fifth-Generation Collaborative Digital Regulation" (ITU, 2021). Viewed at: http://handle.itu.int/11.1002/pub/81a33551-en; WTO, *Accelerating Trade Digitalization to Support MSME Financing* (WTO, 2021). Viewed at: https://doi.org/10.30875/8bfcf07f-en.

f World Economic Forum and World Trade Organization, "The Promise of TradeTech Policy Approaches to Harness Trade Digitalization", 2022. Viewed at: https://www.wto.org/english/res_e/booksp_e/tradtechpolicyharddigit0422_e.pdf.

g ITC, based on ITC Digital Transformation Survey and NRI from Portulans Institute. Companies are defined as expert, competent or emerging user of digital technologies if their digital transformation index is in the third, second or first tertile of the ITC Enterprise Digital Transformation Index distribution respectively. Countries are defined as having low (medium/high) digital readiness if their Network Readiness Index is placed in the first (second/third) tertile of the NRI distribution.

Source: International Trade Centre (ITC).

Fisheries Subsidies

3.137. Work among delegations on achieving comprehensive disciplines on fisheries subsidies intensified in October 2023 following the circulation of a starting point text by the Chair of the Negotiating Group in Rules (NGR). Although Members were unable to meet the December 2023 timeline, the Chair circulated a Draft Consolidated Chair Text, which was the subject of intense negotiations during the Fish Month of 15 January to 9 February 2024. On 16 February, the Chair circulated the Additional Provisions on Fisheries Subsidies for the Ministers' consideration during the MC13 in early 2024. Although Members were unable to conclude at MC13, progress made at the Ministerial as well as at the July GC meetings was captured and circulated in a 13 September 2024 communication to delegations.

3.138. In parallel to the negotiating meetings of the NGR, Members have engaged in a technical workstream to develop the documents, procedures, and practices to be used by the Committee on Fisheries Subsidies upon the entry into force of the current Agreement. As of 9 October 2024, 84 WTO Members have accepted the Agreement.[70] This represents around 75% of the two-thirds (111) of WTO Members required for the Agreement to enter into force.

3.139. The WTO Fisheries Funding Mechanism, known as the Fish Fund, was established in November 2022 to assist developing and LDC Members in implementing the Agreement. Currently in its start-up phase, the Fund will become operational as soon as the Agreement enters into force. As of October 2024, the Fund has received contributions amounting to more than CHF 10 million, commitments (signed contribution agreements) of over CHF 3 million, and pledges amounting to more than CHF 1 million.[71]

Government Procurement

3.140. 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. During the reporting period, North Macedonia became the 22nd Party to the GPA 2012 and the 49th WTO Member to be covered by it.[72] On 27 September 2024, Timor-Leste became the 36th WTO Member/observer observing the work of the Committee on Government Procurement (CGP).

3.141. In support of transparency efforts, the CGP adopted a Decision on the derestriction of historical negotiating documents (GPA/CD/5). In October 2024, the Committee adopted the Decision on the Report of the Committee on best practices for promoting and facilitating the participation of SMEs in government procurement (GPA/CD/6). The Report is a result of the Work Programme on SMEs commenced 10 years ago.

3.142. The CGP also held two information-sharing workshops to enhance the understanding of Parties' government procurement laws. The workshops touched upon the labour standards and the use of electronic tools in government procurement and were held in November 2023 and March 2024, respectively. In October 2024, the Committee celebrated the 10th anniversary of entry into force of the GPA 2012 by organizing a dedicated event.

3.143. GPA Parties also made further progress on the accessions of Albania and Costa Rica. The conclusion of these accessions, on mutually agreeable and appropriate terms, would be significant for the GPA 2012 and for the respective regions.

3.144. During the reporting period, the Secretariat revamped the e-GPA Gateway to provide enhanced access to information on the commitments and procurement systems of the GPA Parties.

Micro, small and medium-sized enterprises (MSMEs)

3.145. The MSME Informal Working Group was launched by 88 WTO Members at MC11 in December 2017 as an inclusive group with the shared objective to improve MSME trade access. Participation grew to 103 Members in 2024.

3.146. The MSME Group launched two compendia of good practices on the fringes of MC13. The first, titled Access to Finance by Women-led MSMEs, was compiled with the Informal Working Group on Trade & Gender and the International Trade Centre and compiles government, financial-institution, and international organization-led initiatives.[73] This compendium continues to

[70] In order of receipt: Switzerland; Singapore; Seychelles; the United States; Canada; Iceland; the United Arab Emirates; the European Union; Nigeria; Belize; China; Japan; Gabon; Peru; Ukraine; Hong Kong, China; New Zealand; Macao, China; Albania; Australia; Botswana; Côte d'Ivoire; Cuba; the Republic of Korea; Saint Lucia; Fiji; Chile; the Gambia; the United Kingdom; Cabo Verde; Barbados; Dominica; Senegal; Uruguay; Haiti; Brunei Darussalam; Chad; Malaysia; Norway; Rwanda; the Kingdom of Saudi Arabia; Togo; Türkiye; the Philippines; South Africa; the Russian Federation; Cambodia; the Lao People's Democratic Republic; Mauritius; Qatar; Montenegro; Kazakhstan; Benin; Sierra Leone; Jordan; Comoros; Timor-Leste; and Ecuador.

[71] The following WTO Members have contributed to the Fish Fund: Australia; Canada; the European Union; Finland; France; Germany; Iceland; Japan; Liechtenstein; Netherlands; New Zealand; Norway; Portugal; the Republic of Korea; Spain; Sweden; and the United Arab Emirates.

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

[73] WTO document INF/MSME/W/46/Rev.3 INF/TGE/W/7/Rev.3, 12 July 2024.

be updated and has been released as a searchable online database.[74] The second, titled Special Provisions for MSMEs in Authorized Economic Operator Programmes, is a collection of 27 identified WTO Member provisions that support MSME access to AEO status through training, outreach, financial support and additional flexibilities.[75] In advance of MC13, as the Coordinator of the MSME Group released a report detailing key activities undertaken and outcomes achieved.[76]

3.147. New proposals were submitted by members on bridging the gap between local business and international organizations; developing compendia on good regulatory practices to promote MSME trade inclusion and on educational programmes for women entrepreneurs; and continuing the work on access to finance by women-led MSMEs, digital and paperless trade, low-value shipments, informality, and MSME references in regional trade agreements.[77]

3.148. The Group awarded two winners in the fourth ICC-ITC-WTO MSME Group Small Business Champions competition on "Empowering Indigenous Peoples' Economic Development through International Trade", organized in partnership with WIPO. The Group held a fourth annual meeting with business representatives in July 2024 and documents continued to be received from the private sector under the INF/MSME/P document symbol. Finally, the Group held its third Trade4MSMEs Network meeting at the start of October 2024 bringing together some 20 International Organizations working at the intersection of trade and small businesses.

Regional trade agreements (RTAs)

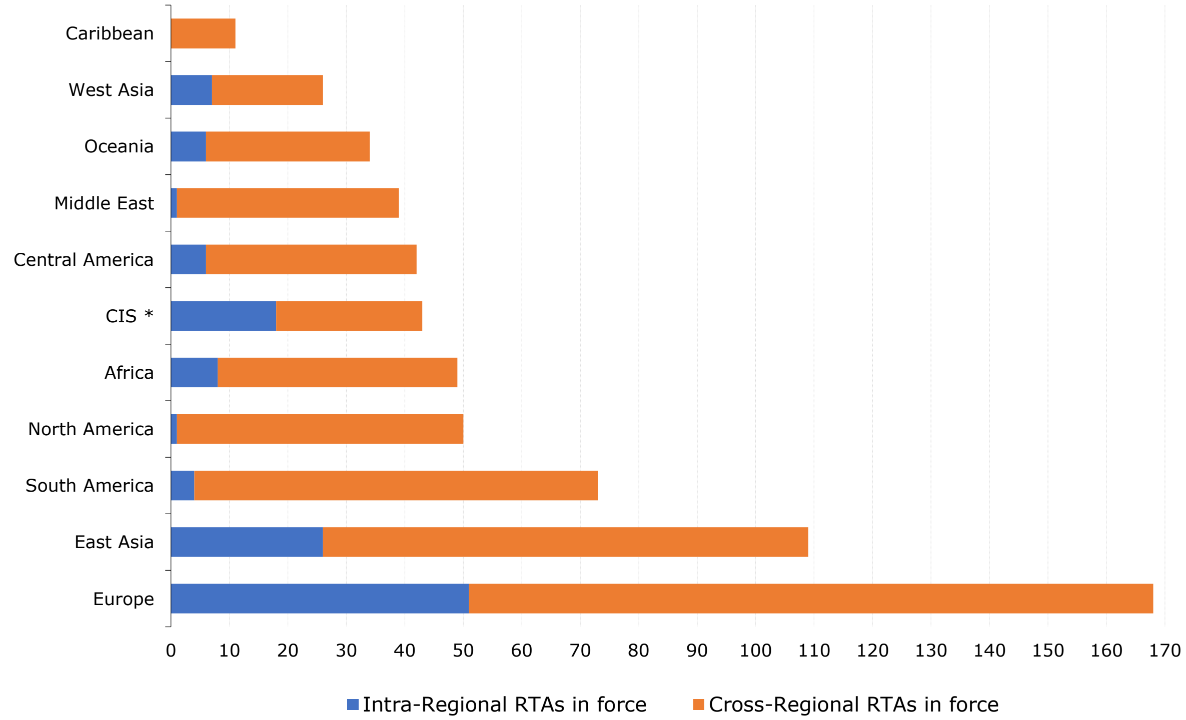
3.149. During the review period, WTO Members notified 17 RTAs (24 notifications). Of these RTAs, seven include trade liberalization in both goods and services; nine relate to trade in goods only and one to trade in services only.[78]

3.150. As of 15 October 2024, the total number of RTAs notified to the WTO and currently in force amounted to 373 (200 covering goods and services, 170 goods only, and 3 services only). The WTO Secretariat has also identified and verified, through the respective parties, 55 RTAs that are in force, but have not yet been notified to the WTO.[79]

3.151. RTA activity remains strongest in Europe (26% of RTAs in force), followed by East Asia (17%) and South America (11%) (Chart 3.17). This can be explained by the large network of agreements of the European Union, including with trading partners in Eastern Europe and around the Mediterranean basin, the United Kingdom's agreements concluded following its withdrawal from the European Union, as well as RTAs concluded by EFTA.

[74] WTO | Database: Compendium of Financial Inclusion Initiatives for Women Entrepreneurs.
[75] WTO document INF/MSME/W/47/Rev.1, 9 February 2024.
[76] WTO document WT/MIN(24)/9, 15 February 2024.
[77] WTO documents INF/MSME/W/51, 16 April 2024; INF/MSME/W/52, 23 April 2024; INF/MSME/W/53, 31 May 2024; INF/MSME/W/54, 31 May 2024; INF/MSME/W/55, 31 May 2024; and INF/MSME/W/58, INF/TGE/COM/11, 22 July 2024.
[78] The WTO RTA Database (viewed at: http://rtais.wto.org) provides updated information on all RTA notifications submitted by WTO Members. Seven RTAs have entered into force during the period under review.
[79] WTO document WT/REG/W/187, 19 June 2024.

Chart 3.17 RTAs notified to the WTO and in force as of 15 October 2024, by region



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

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

Source: WTO Secretariat.

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

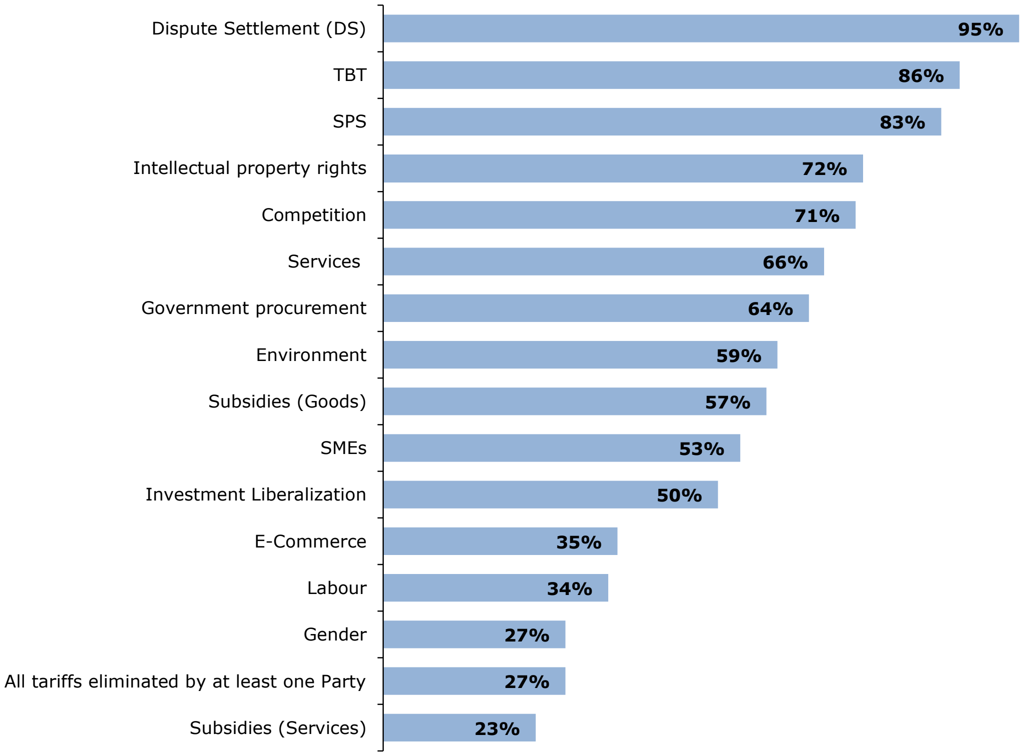
3.153. Several significant developments in the RTAs landscape took place during the review period.[80] The United Arab Emirates (UAE) has emerged as an important RTA actor, with the conclusion of 13 bilateral RTAs in 2023 and 2024, while five other RTAs remain under negotiation. Prior to 2023, the UAE was a Party to two bilateral and four plurilateral RTAs, three of which involved the Gulf Cooperation Council. The Plurinational State of Bolivia became a new member State of the Southern Common Market (MERCOSUR) on 7 August 2024. In December 2023, MERCOSUR signed an FTA with Singapore – its first FTA signed with an Asian country. India, which in the past years has been negotiating RTAs with a number of its main trading partners, signed a Trade and Economic Partnership Agreement with the EFTA member States in March 2024. In Africa, the Guided Trade Initiative (GTI) under the African Continental Free Trade Area (AfCFTA) pursued its expansion in terms of countries and products covered. Under GTI, more than 30 countries (including South Africa, Morocco and Nigeria, amongst Africa's top traders) and 100 products are being traded under the AfCFTA's preferential trade regime. Also in Africa, the Tripartite FTA (TFTA) entered into force on 25 July 2024. The TFTA, which establishes an FTA between the East African Community, the Common Market for Eastern and Southern Africa, and the Southern African Development Community, will be operationalized on the basis of a road map to be adopted later in 2024.

3.154. Over the years, RTAs have become more complex and include provisions that go beyond market access in goods and services. Of 360 (out of 373) 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 TBT and SPS measures. Other provisions 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, with at least half of the RTAs in force comprising provisions on

[80] Many of these RTAs are not yet in force and/or have not been notified to the WTO.

competition, environment, SMEs and investment liberalization. Increasingly, RTAs are also addressing issues such as e-commerce, labour and gender (Chart 3.18). A novel feature in two recent RTAs of the European Union – concluded with Chile and New Zealand – is the inclusion of provisions related to energy and raw materials.

Chart 3.18 Key provisions in RTAs



Note: Figures are based on 360 RTAs (out of 373) notified to the WTO and currently in force. For more details on these provisions, see: http://rtais.wto.org/.

Source: WTO Secretariat.

3.155. While provisions on energy and raw materials in RTAs are still rare, the transition towards a green economy and clean energy has led to the conclusion, in the past year, of various instruments relating to critical minerals. These instruments, such as Memorandums of Understanding or of Cooperation, are generally of a bilateral nature and aim at ensuring access to critical minerals and may also address issues such as research and development, value chains and standards. A number of global or regional initiatives have also been concluded in this respect. For example, in the context of the Indo-Pacific Economic Framework for Prosperity (IPEF)[81], critical minerals are being addressed in the supply chain pillar. More broadly under IPEF, four Agreements were signed in the period under review: the Agreement on Supply Chains in 2023, and in 2024 the Agreements on Clean Economy and on Fair Economy as well as the overall IPEF Agreement. Discussions on the trade pillar have not yet yielded a result.

3.156. Other initiatives or agreements focusing on regulatory rather than market access provisions include in particular the digital economy partnership agreement (DEPA), bilateral digital economy agreements (DEAs) and bilateral environmental agreements. The original trilateral DEPA (Chile, New Zealand and Singapore) was extended, in May 2024, to the Republic of Korea, while six economies have requested accession - Canada, China, Costa Rica, El Salvador, Peru, and the United Arab Emirates. In July 2024, Singapore and the European Union concluded a Digital Trade Agreement. The Agreement includes binding rules prohibiting data localization requirements and upholds the protection of personal data; as of October 2024, it was not yet in force. The

[81] IPEF has 14 partners - Australia, Brunei Darussalam, Fiji, India, Indonesia, Japan, the Republic of Korea, Malaysia, New Zealand, the Philippines, Singapore, Thailand, the United States and Viet Nam. India has opted out of the trade pillar.

European Union-Japan Agreement on data flows and the United Kingdom–Ukraine Digital Agreement have entered into force in the recent months.

3.157. There are also other types of bilateral agreements such as mutual recognition agreements, which by recognizing the other party's technical standards or qualifications, provide better treatment than that provided on a multilateral basis; agreements on intellectual property rights or the environment; or agreements on investment. However, information on many of these agreements is not easily available.

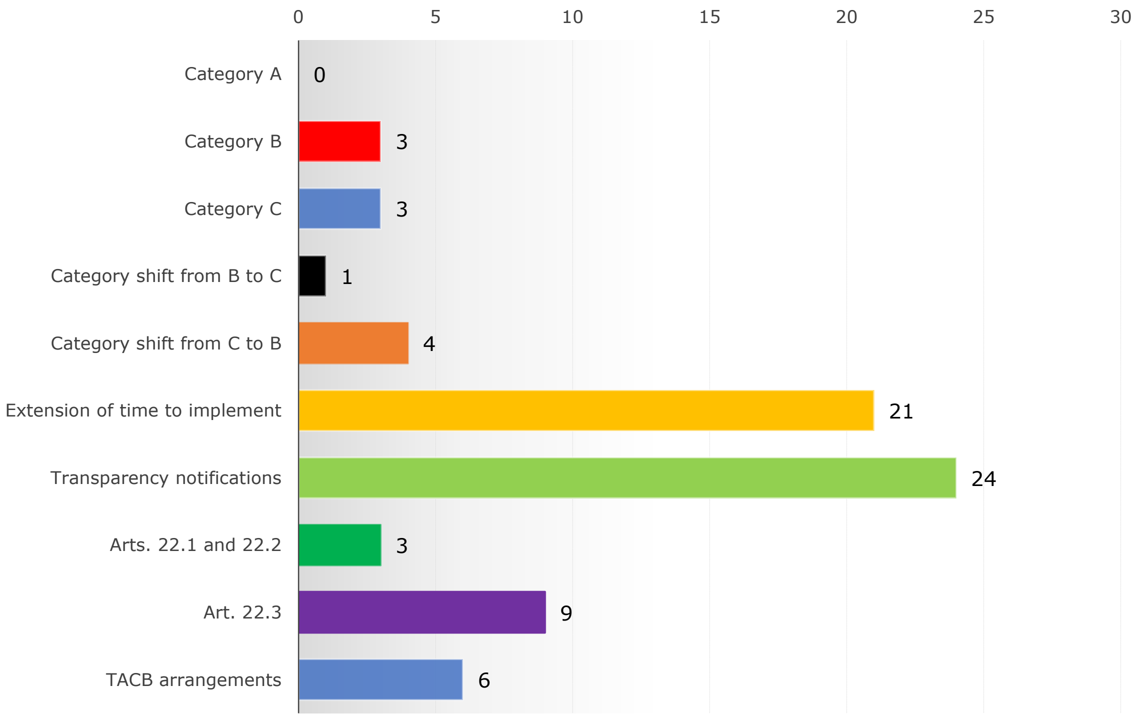
3.158. As RTA networks continue to expand, the growth of regulatory agreements and initiatives suggest there is a need to better understand the implications of such agreements and initiatives on the multilateral trading system.

Trade Facilitation

3.159. The Trade Facilitation Agreement (TFA) entered into force on 22 February 2017, when two-thirds of WTO Members presented their instruments of acceptance amending the Marrakesh Agreement to incorporate the TFA into Annex 1A (Multilateral Agreements on Trade in Goods). During the review period, three more WTO Members ratified the TFA (Comoros, Timor-Leste, and the Bolivarian Republic of Venezuela), taking the total number of ratifications to 159 Members, representing 95.8% of the membership.

3.160. The TFA's current global rate of implementation commitments stands at 79.4%. During the review period, Members submitted 74 notifications which are summarized in Chart 3.19. These included 29 notifications by LDCs.

Chart 3.19 Number of TFA notifications received by WTO Members between 21 October 2023 and 10 October 2024



Source: WTO, TFA database. Viewed at: https://www.tfadatabase.org.

3.161. During this period, the TFAF assisted two LDCs in preparing the notifications under the Trade Facilitation Agreement and approved project preparation grants for Angola and Togo to carry out diagnostics of the Customs Broker regime and the risk management system in view of engaging with development partners. A technical expert was hired to support Saint Lucia and Grenada in the design phase of the Single Window. Finally, it assisted the Cameroonian NTFC in reviewing its TACB needs and progress.

3.162. In the reporting period, the TFAF received 86 requests from 15 developing countries and LDCs to help them identify partners for the implementation of category C needs. These requests were circulated to a network of partners, but only one partner was engaging with two Members following the circulation.

3.163. The TFAF also supported the attendance of seven transit experts from developing countries and LDCs to the Committee on Trade Facilitation (CTF) meeting in April and the CTF's dedicated session on transit in June 2024. The participants shared experiences with agency collaboration and digitalization of the transit procedure in the CTF.

Trade Financing

3.164. Inadequate access to trade finance in emerging markets and developing economies prevents otherwise-viable transactions from going forward - with disproportionate impacts on small and women-owned businesses. Insufficient and unequal access to trade finance contributes to keeping countries and communities on the margins of the global division of labour. The Asian Development Bank estimated in late 2023 that in emerging markets and developing economies, there was a USD 2.5 trillion gap between the demand for trade finance and its supply.[82]

3.165. Recent research by the WTO and the International Finance Corporation (IFC) suggested that the higher a country's level of development, the higher the share of trade supported by trade finance, i.e. 60% to 80% across developed countries, 40% on average on the African continent, and only 25% in regions such as West Africa and the Mekong region of Southeast Asia. Increasing coverage to 40% would boost trade flows by an average of 8% per year.[83]

3.166. Access to trade finance is a difficult problem to solve because of its multi-dimensional nature. The Director-General of the WTO as well as several heads of multilateral development banks (MDBs), including the IFC, the Asian, African and Inter-American Development Banks, the Islamic Trade Finance Corporation, and the Afreximbank, met at the 2023 Annual Meetings of the IMF and World Bank, with a view to strengthen collaboration with the existing informal WTO-MDB network, urging it to extend its focus to supporting supply chain finance, green finance and capacity-building.

3.167. A key aspect is to boost trade finance facilitation programmes, which help increase the capacity of financial sectors to support local trade. These programmes, run by seven MDBs, supported 10,000-12,000 trade transactions last year in developing countries, amounting to a total of over USD 50 billion in trade flows. Within these programmes, a particular focus is on expanding supply chain finance, which remains even scarcer than traditional trade finance. Yet, according to the WTO-ADB Global Value Chain Development Report[84], 49% of global trade involves global value chain transactions.

Trade and environment

3.168. At the Committee on Trade and Environment (CTE), delegations continued to explore how to revitalize the work of the CTE and improve on its function as a key standing forum dedicated to dialogue on the relationship between trade measures and environmental measures.[85] In the last two years, an several proposals have been submitted in the CTE (17 submissions since January 2023) highlighting the importance of advancing discussions on trade and environment in the CTE.

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[82] Asian Development Bank, 2023 Trade Finance Gaps, Growth, and Jobs Survey, September 2023. Viewed at: https://www.adb.org/publications/2023-trade-finance-gaps-growth-jobs-survey.

[83] IFC and WTO (2023), *Trade Finance in the Mekong Region*. Viewed at: https://www.wto.org/english/res_e/publications_e/tf_mekong_e.htm.

[84] Research Institute for Global Value Chains at the University of International Business and Economics, ADB, IDE–JETRO, and WTO (2023), *Global Value Chain Development Report 2023: Resilient and Sustainable GVCs in Turbulent Times*. Viewed at: https://www.wto.org/english/res_e/booksp_e/gvc_dev_rep23_e.pdf.

[85] *Annual Report 2023*, WTO document WT/CTE/30, 13 December 2023.

3.169. In its three regular meetings held in 2024 and during the fifth[86] Trade and Environment Week, delegations focused on important global issues, including trade in critical minerals, sustainable agriculture, deforestation regulations, transfer of clean technologies, the circular economy, plastics pollution, climate change, and biodiversity. Delegations also continued to put forward and discuss specific submissions, and, for the first time, held "thematic discussions" on specific topics, in particular related to the clean energy transition.[87]

3.170. Other briefings included topics such as the preparations for COP29 which would again include a thematic day dedicated to discussing trade issues. In parallel, the WTO Secretariat also worked on several projects in coordination with various stakeholders, including the World Bank, IMF, UNCTAD and OECD (Taskforce on Carbon Pricing), the World Bank and the World Economic Forum (under the "Action on Climate and Trade Initiative" (ACT)), the Asian Development Bank (on a trade in critical minerals database), and the steel industry (following up work on decarbonization standards[88]).

3.171. Some WTO Members continued their work through other platforms. For example, at MC13, the participants of the three environmental initiatives presented outcomes. The Fossil Fuel Subsidy Reform (FFSR[89]) outcomes include an updated Ministerial Statement (WT/MIN(24)/19), accompanied by two annexes setting out: ii) a detailed programme of work outlining concrete options to guide the work of the Initiative's in the period to MC14; and ii) a non-exhaustive list of sample questions on fossil fuel subsidies and fossil fuel subsidy reform for regular use by co-sponsors and other WTO Members in Trade Policy Reviews. The co-conveners of the Trade and Environmental Sustainability Structured Discussions (TESSD[90]) issued a Statement (WT/MIN(24)/11) and presented four outcomes, namely: a compilation of Member practices in the development of trade-related climate measures; an analytical summary of discussions on environmental goods and services and renewable energy; a mapping of the trade aspects of the circular economy along the lifecycle of products; and a compilation of national experiences and considerations regarding subsidy design. The Dialogue on Plastics Pollution and Environmentally Sustainable Plastics Trade (DPP[91]) circulated a Ministerial Statement (WT/MIN(24)/14) containing a series of principles and six trade-related actions, including to: increase transparency of trade flows of plastics (e.g. of single-use plastics, plastic films, hard-to-recycle plastics, as well as those embedded in traded goods); reduce plastics that are harmful to the environment or human health, or unnecessary single-use plastics and plastics packaging; promote non-plastic substitutes, alternatives, services and technologies; and improve the capacity of developing countries to use trade as a tool to tackle plastic pollution.

[86] Viewed at: https://www.wto.org/english/tratop_e/envir_e/envir_0710202409_e/envir_0710202409_e.htm.
[87] Viewed at: https://www.wto.org/english/tratop_e/envir_e/envir_1311202310_e/envir_1311202310_e.htm; https://www.wto.org/english/tratop_e/envir_e/envir_2304202410_e/envir_2304202410_e.htm; and https://www.wto.org/english/news_e/news24_e/envir_11oct24_e.htm.
[88] Viewed at: https://www.wto.org/english/news_e/news24_e/envir_12sep24_e.htm.
[89] Viewed at: https://www.wto.org/english/tratop_e/envir_e/fossil_fuel_e.htm.
[90] Viewed at: https://www.wto.org/english/tratop_e/tessd_e/tessd_e.htm.
[91] Viewed at: https://www.wto.org/english/tratop_e/ppesp_e/ppesp_e.htm.

4 POLICY DEVELOPMENT IN TRADE IN SERVICES

4.1. Between mid-October 2023 and mid-October 2024, 134 new measures affecting trade in services were identified, slightly more than reported in the previous Report. Although, a third of the measures introduced could be considered as restrictive, most measures tended towards more liberalization and good regulatory practices. More than half of the measures were new horizontal policies affecting trade for many services sectors and/or multiple modes of supply. Nearly half of those specifically impacted mode 3 (commercial presence), and about one-third affected mode 4 (movement of natural persons). Some 16% of the measures related to financial services, while 9% pertained to communications and IT-enabled services. Additionally, 21% of the measures affected various services sectors, including distribution, education, health-related, transport tourism, and some selected business services. No new COVID-19-related measures affecting trade in services were reported during the review period, and Australia and Indonesia indicated that some measures were terminated (one and four measures respectively).

4.2. Annex 4 of the of the Addendum provides additional information on the new measures introduced by 61 WTO Members and 2 Observers (Ethiopia and Serbia).[1]

Measures affecting supply across various sectors or through multiple modes of supply

4.3. During the review period, several Members introduced measures affecting trade in services through multiple modes of supply. For example, China released the Special Management Measures for Cross-border Services Trade (Negative List), which outlines regulations affecting trade in services through modes 1, 2 and 4, effective on 21 April 2024. It lists 71 prohibitive and restrictive items in areas like construction, telecom, and financial services. In addition, the Pilot Free Trade Zones Negative List includes 68 items designed to ease restrictions on professional activities in sectors such as customs and media production. Services not included on these lists receive equal treatment for domestic and foreign providers. Ethiopia, an Observer, introduced significant reforms liberalizing the country's foreign exchange system, notably in relation to the imports of services, travellers' currency limits or the opening of the securities market to foreign investors.

4.4. Various Members made changes to their policies relating to investment, which affect the supply of services through commercial presence. Many of the measures eased conditions for foreign services suppliers. For example, a new decree in Mozambique, effective on 7 March 2024, lowered the minimum capital requirement for foreign investors to MZN 6.5 million from MZN 7.5 million. Kenya announced the privatization of several active state-owned enterprises, *inter alia*, in banking, hospitality, pipeline transport and convention services. Ethiopia, an Observer, expanded the list of permissible activities in Special Economic Zones (SEZ), including a few services and notably allowing financial institutions to offer services in SEZ (effective 18 April 2024). Starting on 21 January 2024, the State of Kuwait relaxed conditions of establishment for foreign companies, allowing them to set up branches without the need for a local commercial agent. Egypt, amended on 3 January 2024 its Desert Land Law, allowing foreign investors to acquire land for investment purposes and removing the requirements that Egyptian ownership be at least 51% of a company's capital and limited individual ownership to 20%.

4.5. Some Members adopted new measures in relation to the screening of investment, notably tightening review procedures for national security purposes. Some European Union (EU) countries strengthened their existing regimes, such as Romania or France, while others introduced new screening legislations, e.g. Bulgaria, Sweden. At the same time, some EU member States introduced measures in an effort to enhance the clarity and transparency of screening policies, e.g. France, Germany, Poland. The United Kingdom also published updated guidance, aiming to clarify the investment screening process and reduce uncertainty for investors. Finally, Singapore's Parliament passed a law effective on 28 March 2024, enhancing the government's review of investments in entities critical to national security, regulating designated entities, and ensuring the continuity of essential services while aligning with international norms.

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

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

4.6. Twenty-six measures concerned the communications sector, Internet- and other network-enabled services, or computer services. Some Members introduced legislation relating to the taxation of e-commerce transactions. For example, Colombia imposed, from 1 January 2024, a 3% digital tax on foreign service providers engaged in substantial business activities in the country (i.e. where the gross income exceeded USD 330,000). Lao People's Democratic Republic issued an instruction requiring non-resident digital services providers to register and collect value added tax (VAT). On the other hand, India removed the 2% equalization levy on non-resident digital service providers, including online education and software-as-a-service (SaaS) firms, effective on 1 August 2024.

4.7. Nine Members introduced legislation covering the regulation of cross-border data flows, which affects trade in services. Malaysia approved amendments to the Personal Data Protection Act, *inter alia*, eliminating the whitelist policy for cross-border data transfers, which was previously established to specify approved jurisdictions for such transfers. Türkiye amended its Personal Data Protection Law, increasing the number of alternatives for cross-border data transfers, in line with the European Union's General Data Protection Regulation (GDPR). Previously, "open-consent" of the data owner was the only option to transfer data abroad.

4.8. Also, China's Cyberspace Administration released on 22 March 2024, the "Provisions on Promoting and Regulating Cross-border Data Flow", which cover security assessment of outbound data transfer, standard contract for cross-border transfer of personal information, and personal information protection certification, relaxing the conditions for cross-border data flow and narrowing the scope of security assessment of outbound data transfer for data not considered as important. Jamaica introduced a new data protection law stipulating that, unless an exception is applicable, personal data must not be transferred outside the jurisdiction except if the receiving country ensures an adequate level of protection.

4.9. Two Members introduced new measures facilitating the supply of telecommunication services. Viet Nam adopted a new law, giving foreign telecommunications operators access to public infrastructure and allowing domestic operators to share their infrastructure with foreign suppliers, effective 1 July 2024. China introduced on 8 April 2024 a pilot programme to ease foreign ownership restrictions in value-added telecommunications services (VATS) across four key regions: Beijing, Shanghai, Hainan, and Shenzhen. The new regulations remove the previous 50% cap on foreign ownership, allowing qualified foreign investors to establish wholly owned VATS companies in specified sectors, including Internet data centres and content delivery networks. Success in the pilot program could lead to further relaxation of foreign ownership rules in the telecommunications industry.

Financial services

4.10. Various policy changes took place since October 2023 in the financial services sector. For example, the United Arab Emirates authorized on 30 November 2023 foreign companies to operate in the insurance sector as wholly owned joint-stock companies or branches, allowing reinsurance to be contacted freely across borders, but imposing restrictions on brokerage and cross-border insurance. On 29 December 2023, the Bolivarian Republic of Venezuela issued a measure that prohibits the transfer of computing centres and databases containing financial user data outside the country and requiring financial service providers to contract cloud computing services exclusively from suppliers operating within the country. Belize introduced new Licensing Regulations, effective on 4 November 2023, imposing capital and local establishment requirements, and restricting licences to eligible sole practitioners, approved banks, and corporate entities with a physical presence and qualified management in the country.

4.11. New European Union regulations were published on 19 June 2024, requiring non-EU banks offering cross—border services to operate through locally licensed branches to provide core banking services like deposits and lending to EU clients. Previously this was regulated by individual EU member States, leading to different requirements. The regulations will be effective in January 2027. Tanzania issued on 6 October 2023 a new regulation allowing varying forms of entry and foreign ownership limits and operational capabilities for bureau de change entities. These range from not allowing foreign ownership for licensees only dealing with spot transactions, to allowing foreign ownership (with unlimited branching, but a discriminatory minimum capital requirement) for those with a larger business scope, covering, money transfer and other financial services related activities, in addition to dealing in spot transactions (such as agency banking and mobile money agency).

Other services sectors

4.12. Trade in services in many other sectors, such as business, distribution, education, health-related, recreational, tourism and travel-related and transport services, was affected by new measures introduced during the review period. For distribution services, liberalizing measures were introduced by two countries. Egypt lifted on 29 October 2023, the 51% Egyptian ownership requirement for companies involved in import activities for direct trading in the domestic market, under specific conditions such as a minimum capital requirement or a minimum annual business turnover. Since 18 April 2024, Ethiopia, an Observer, allowed foreign investment in some previously restricted export, import, and wholesale activities, but still with some specific conditions for certain commodities.

4.13. With respect to transport services, on 21 February 2024, India amended its Foreign Direct Investment Policy for the space sector, allowing up to 49% foreign ownership under the automatic route for spaceport development and 74% for satellite operations, with higher investments needing government approval. On 16 January 2024, Brazil enacted a law enabling Brazilian captains of ships up to 100 meters long to obtain a Pilotage Exemption Certificate if two-thirds of the crew were Brazilian, while allowing free negotiation of pilotage service pricing.

4.14. In the health-related sector, seven new measures were adopted during the review period. For example, China launched a new pilot programme on 7 September 2024, to attract foreign investment in the medical sector, particularly in biotechnology and wholly foreign-owned hospitals (excluding traditional Chinese medicine and public hospital acquisitions) in several major cities: Beijing, Tianjin, Shanghai, Nanjing, Suzhou, Fuzhou, Guangzhou, Shenzhen, and the entire island of Hainan. Other Members introduced stricter rules regarding health data transfers, such as France or Germany.

Measures affecting the supply through the movement of natural persons

4.15. Twenty-seven Members adopted measures affecting the supply of services through the movement of natural persons. Most of the measures affected all or various sectors, and a dozen were sector specific. Most of the measures reported were trade-facilitating. For example, effective on 1 July 2024, the Czech Republic Government streamlined the Labour Market Testing Process for Employee Cards, eliminating the waiting period for job vacancies to expedite the onboarding of foreign employees and address labour shortages. Denmark introduced on 17 November 2023, a work permit exemption allowing non-EU nationals employed by foreign-affiliated companies in the country to work without a permit for up to two separate periods of 15 days each within 180 days, aiming to provide flexibility for businesses and facilitate knowledge-sharing. In Kenya, effective on 1 January 2024, foreign nationals from outside the East African Community could enter without a visa for up to 90 days by obtaining a single-use Electronic Travel Authorization (ETA) online.

4.16. However, a few Members introduced more restrictive measures. Belgium established new immigration rules, effective on 1 May 2024, introducing stricter rules for the entry of foreign workers. The entry of foreign nationals will be allowed following an assessment of local and regional labour markets, giving priority to Belgian and European workers. In April 2024, New Zealand revised the Accredited Employer Work Visa requirements for low-skilled occupations, tightening criteria, introducing longer labour market testing periods and shortening the duration of visas.

Trade concerns raised in the Council for Trade in Services (CTS)

4.17. At the CTS meetings held on 7 December 2023, 27-28 March 2024, 4 July 2024 and 2 October 2024[2], concerns were reiterated about (i) cybersecurity measures of China (raised by Japan and the United States) and cybersecurity measures of Viet Nam (raised by Japan and the United States); (ii) 5G-related measures of Australia (raised by China)[3]; (iii) measures of the United States regarding

[2] WTO documents S/C/M/156, 30 January 2024; S/C/M/157, 6 May 2024; S/C/M/158, 21 August 2024; and S/C/M/159 (forthcoming).

[3] These measures were only raised during the meetings of 7 December 2023, 27-28 March 2024 and 4 July 2024.

Chinese services and service suppliers (raised by China); and (iv) measures of India regarding Chinese services and service suppliers (raised by China).

Air services agreements

4.18. 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 provide for improved access conditions than was previously the case. All are bilateral ASAs, with the exception of the ASEAN-EU agreement.

Table 4.1 Air transport agreements[4] concluded or amended between October 2023 and September 2024

Parties		Date of signature	Source
Qatar	Guatemala	12/07/2023	Qatar Signs Air Services Pact With Guatemala And Rwanda (menafn.com)
Belarus	Oman	25/07/2023	Belarus Gazettes Texts of Road, Air Transport Agreements With Russia, Oman (bloombergtax.com)
Kenya	Somalia	09/08/2023	Kenya, Somalia sign agreement to boost flight frequency-Xinhua (news.cn)
Russian Federation	Indonesia	15/09/2023	Russia Foreign Ministry Posts Protocol to Air Services Agreement With Indonesia in Russian, English, Indonesian (bloombergtax.com)
Canada	Panama	11/10/2023	PAX - Canada expands deal with Panama to allow more flights between countries (paxnews.com)
Trinidad and Tobago	United Arab Emirates	16/11/2023	Trinidad and Tobago, UAE agree on flights: but now what? - Trinidad and Tobago Newsday
Azerbaijan	Iraq	21/11/2023	Azerbaijan-Iraq relations can ensure connection with Gulf & Mideast countries (azernews.az)
Peru	Qatar	23/11/2023	Peru, Qatar Sign Air Services Agreement To Promote Bilateral Tourism And Trade (menafn.com)
Trinidad and Tobago	Curaçao	24/11/2023	Trinidad and Tobago signs bilateral air service agreement with Curacao - Trinidad and Tobago Newsday
Antigua and Barbuda	Qatar	05/12/2023	Sky's the Limit: Antigua & Barbuda, Qatar ink air services agreement | Loop Caribbean News (loopnews.com)
Rwanda	Nepal	05/12/2023	Rwanda signs air service pact with Nepal - The New Times
Sierra Leone	Saudi Arabia, Kingdom of	06/12/2023	Sierra Leone Signs Bilateral Air Service Agreement with Saudi Arabia - Global Times Newspaper (globaltimes-sl.com)
Kuwait, State of	Nigeria	07/12/2023	Kuwait and Nigeria sign bilateral air agreement | Freight News
United Kingdom	Mongolia	23/01/2024	Air Services Agreement signed between UK and Mongolia - GOV.UK (www.gov.uk)
Bhutan	Kuwait, State of	09/01/2024	Bhutan, Kuwait sign air service agreement | Kuensel Online
Moldova, Rep. of	United Kingdom	24/01/2024	Moldova, UK sign air service agreement (azernews.az)
Korea, Rep. of	Indonesia	02/02/2024	South Korea, Indonesia Bilateral Agreement To Boost Connectivity | Aviation Week Network
Thailand	Sri Lanka	03/02/2024	Deputy Minister of Foreign Affairs of Thailand signs the Thailand - Sri Lanka Air Services Agreement - กระทรวงการต่างประเทศ (mfa.go.th)

[4] 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
Nepal	Switzerland	11/02/2024	Nepal and Switzerland sign air service agreement - myRepublica - The New York Times Partner, Latest news of Nepal in English, Latest News Articles (nagariknetwork.com)
Israel	Sri Lanka	15/02/2024	Sri Lanka increases ties with Israel in the midst of Gaza conflict | Tamil Guardian
Singapore	Samoa	20/02/2024	Singapore signs air services pact with Samoa - Asian Aviation
Jordan	Qatar	25/02/2024	Jordan, Qatar Sign Aviation Agreement For Unlimited Airlines, Flights (menafn.com)
Brazil	Argentina	13/03/2024	Open skies aviation policy between Brazil and Argentina — Ministério das Relações Exteriores (www.gov.br)
Brazil	Antigua and Barbuda	04/03/2024	Air transport agreement signed between Brazil and Antigua - Dominica News Online
Barbados	Panama	08/04/2024	Barbados and Panama Sign Air Service Agreement (businessbarbados.com)
Qatar	Libya	21/04/2024	Qatar and Libya update air services agreement (zawya.com)
Ethiopia	Congo, Republic of	26/04/2024	Ethiopia, Congo Republic Sign Air Service Agreement (msn.com)
India	United Kingdom	01/05/2024	London India Flights Surge as New Agreement Boosts Weekly Services - Travel And Tour World
Singapore	Philippines	09/05/2024	Singapore and Philippines enhance Air Services Agreement - TravelDailyNews Asia & Pacific
Trinidad and Tobago	Qatar	23/05/2024	Qatar, Trinidad and Tobago sign air services agreement - Trinidad and Tobago Newsday
Singapore	Ukraine	02/06/2024	Singapore and Ukraine sign air deal during President Zelensky's visit | The Straits Times
Switzerland	Bangladesh	04/06/2024	New Age | Bangladesh signs air service agreements with Switzerland, EU (newagebd.net)
European Union	Bangladesh	07/06/2024	New Age | Bangladesh signs air service agreements with Switzerland, EU (newagebd.net)
Canada	Argentina	25/06/2024	Canada concludes new air transport agreement with Argentina - The Malaysian Reserve
Russian Federation	Tanzania	25/06/2024	Russia And Tanzania Sign Air Services Agreement To Boost Air Traffic (menafn.com)
Oman	Tunisia	30/06/2024	Oman News Agency
Philippines	Korea, Rep. of	04/07/2024	The Philippines and Korea expand international air services agreement (traveldailynews.asia)
New Zealand	Solomon Islands	04/07/2024	New Zealand and Solomon Islands Sign Revised Air Service Agreement - Solomon Times Online
Slovenia	Brazil	22/07/2024	Slovenia and Brazil ink air agreement (exyuaviation.com)
Türkiye	United Kingdom	01/08/2024	Türkiye, UK sign new air transport agreement - Türkiye Today (turkiyetoday.com)
United States	Dominican Republic	02/08/2024	US And Dominican Republic Sign 'Open Skies' Agreement. - The St Kitts Nevis Observer
Solomon Islands	Vanuatu	09/08/2024	Minister of Foreign Affairs and External Trade signs new Air Service Agreement with Vanuatu. - Solomon Islands Broadcasting Corporation (SIBC) (sibconline.com.sb)

Parties		Date of signature	Source
United States	Fiji	28/08/2024	The United States and Fiji Sign Open Skies Agreement - United States Department of State
Mongolia	Slovenia	02/09/2024	Slovenia and Mongolia agree on new air transport agreement – Aviation.Direct

Source: WTO Secretariat.

5 POLICY DEVELOPMENTS IN TRADE IN INTELLECTUAL PROPERTY

5.1. During the review period, WTO Members agreed to restart the review of the implementation of the TRIPS Agreement and discussed pandemic preparedness, following the updated mandate from MC13, and continued to fine-tune their intellectual property (IP) regimes.

Acceptance of the Protocol Amending the TRIPS Agreement

5.2. Comoros and Timor-Leste acceded to the WTO in August 2024, adding two more acceptances of the Protocol Amending the TRIPS Agreement. Tunisia deposited its instrument of acceptance, in October.[1]

National IP-related strategies

5.3. Slovenia adopted its National Intellectual Property Strategy 2030, aimed at promoting the role of intellectual property in fostering innovation, creativity and knowledge-sharing and the importance of its strategic management, in June 2024. Further, Albania continued to implement their National IP Strategy 2022–2025, with the strategic goal of reaching harmonization with the EU regime.[2]

Developments in domestic legislation and administration of IPRs

5.4. 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	Measures	Date of entry into force
Slovenia	Adoption of the National Intellectual Property Strategy 2030, a policy paper aimed at promoting the role of intellectual property in fostering innovation, creativity and knowledge-sharing and the importance of its strategic management	19 June 2024
Slovenia	Introduction of more precise conditions for the granting and application of patents for biotechnological inventions in line with provisions of the Agreement on the Unified Patent Court and relevant EU directives, such as limitation of patent rights in the development of new plant varieties	13 July 2024
Hong Kong, China	Legislation Concerning Designs Consisting of Regional Flag or Emblem. The Regional Flag and Regional Emblem (Amendment) Ordinance 2023 (Ord No. 30 of 2023) amends, amongst others, Section 8A of the Registered Designs Ordinance (Cap. 522) to the effect that a design is not registrable in Hong Kong, China if it consists of or contains the regional flag or the regional emblem of the Hong Kong Special Administrative Region of the People's Republic of China or their designs	Effective 24 November 2023
Hong Kong, China	Reduction of Fees of Design Registration and Post-Registration Services. The Registered Designs (Amendment) Rules 2024 (L.N. 2 of 2024) amends the Schedule to the Registered Designs Rules (Cap. 522A) to reduce the fees of various design registration and post-registration services of the Designs Registry of the Hong Kong Special Administrative Region of the People's Republic of China	March 2024
Chile	Approval by the National Congress of 4 Classification Treaties administered by WIPO: Locarno Agreement, Nice Agreement, Strasbourg Agreement, and Vienna Agreement	24 July 2024
Montenegro	The Parliament of Montenegro adopted Law on Amendments to the Law on Copyright and Related Rights on 13 May 2024 (Official Gazette of Montenegro No. 48/24)	1 June 2024

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

Source: WTO Secretariat.

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

[2] Communication by Albania for the Trade Monitoring Report.

TRIPS Council

5.5. During the review period, the TRIPS Council met formally in October 2023, April, and July 2024; and held several meetings in informal mode. The meetings that took place before MC13 focused on the possible extension of the MC12 TRIPS Decision on COVID-19 Vaccines[1] to diagnostics and therapeutics.

5.6. In October 2023, Members reviewed the submission by the United Kingdom on "Intellectual Property, Voluntary Licensing and Technology Transfer".[2] This was the first submission to the TRIPS Council under the MC12 Pandemic Declaration mandate to share experiences and lessons learned. Further, South Africa introduced on behalf of African Group two submissions aimed at reinvigorating the discussion on transfer of technology in the WTO under the leadership of the Working Group on Transfer of Technology (WGTT).[3]

5.7. In April 2024, Members agreed to refer to pandemic preparedness for its forward agenda, following the updated mandate from MC13; India introduced the communication "TRIPS for Development: Post MC13 Work on TRIPS-Related Issues"[4]; and Colombia proposed to restart the review mechanism under Article 71.1 of the TRIPS Agreement.[5] As in previous years, the 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.

5.8. During the June 2023 meeting, Members agreed to restart the Council's review mechanism under Article 71.1 and they were briefed on the WIPO Treaty on IP, Genetic Resources and associated Traditional Knowledge concluded on 24 May 2024.

5.9. Dynamic discussions on "IP and Innovation" continued to take place, as Members shared information and best practices to support start-ups operating in cross-border environments[6]; IP awareness and creators;[7] IP awareness and cooperation.[8]

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[1] WTO document WT/MIN(22)/30, 22 June 2022.
[2] WTO document IP/C/W/704/Rev.1, 2 October 2023. The paper was also submitted to the Working Group on Trade and Transfer of Technology.
[3] WTO documents IP/C/W/700, 5 July 2023; and IP/C/W/701, 5 July 2023.
[4] WTO document IP/C/W/708, 8 March 2024.
[5] WTO document IP/C/W/712, 15 April 2024.
[8] WTO document IP/C/W/705, 20 October 2023.
[7] WTO document IP/C/W/711, 12 April 2024.
[8] WTO document IP/C/W/714, 28 June 2024.

6 TRANSPARENCY OF TRADE POLICIES

Notifications and surveillance in WTO Councils and Committees[1]

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 businesses 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 continues to be very uneven. Despite efforts by some delegations to bring 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 capacity constraints of many WTO Members, despite the efforts by the WTO Secretariat and individual Committees. The poor notification compliance must be addressed collectively by the WTO membership.

Agriculture

6.3. 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).[2]

6.4. 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 revision[3] considered by the CoA at its September 2024 meeting showed that for the period 1995-2022, there were a total of 2,053 outstanding regular notifications, which represented around 23% of expected notifications.[4] 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 1,038 and 814 of notifications pending, respectively (Chart 6.1).

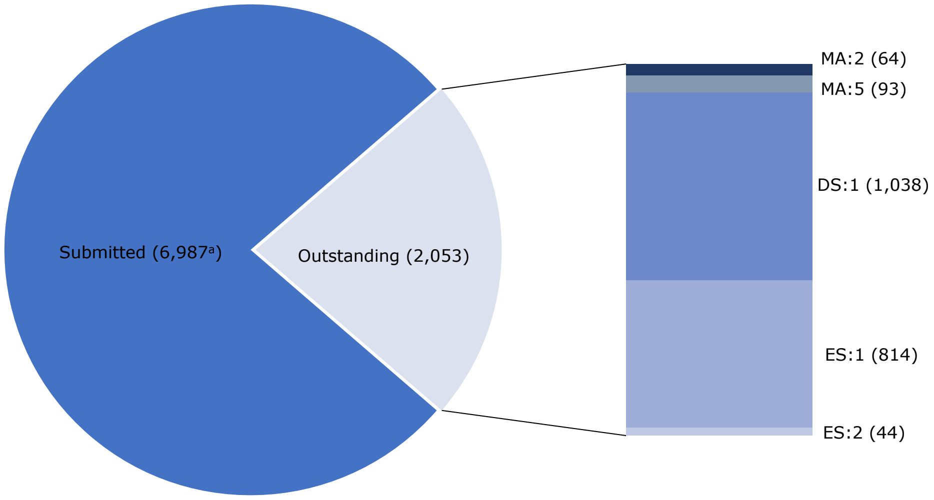
[1] Notifications in the SPS and TBT Committees are dealt with in Sections 3.3 and 3.4 of this Report.

[2] Annual notifications are required to be submitted no later than a certain number of days following the end of the year in question, in accordance with the deadlines set out in the Committee's Notification Requirements and Formats in WTO document G/AG/2, 30 June 1995.

[3] WTO document G/AG/GEN/86/Rev.53, 11 September 2024.

[4] *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 6.1 Outstanding notifications per type of notification requirement, 1995-22



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.53, 11 September 2024.

Anti-dumping

6.5. 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.

6.6. Fifty-seven Members[5] submitted semi-annual reports, either of anti-dumping actions taken, or of no actions having been taken, during the six-month period January-June 2024. To date, 51 Members have submitted one-time nil notifications. The remaining 29 Members failed to submit semi-annual reports in respect of anti-dumping actions during the period January-June 2024. Few, if any, 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

6.7. 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 2023 new and full subsidy notifications was 30 June 2023.

6.8. A significant decline is observed in the percentage of Members notifying subsidies, decreasing from 51% in 1995 to 42% by 2023. Simultaneously, the percentage of Members making a "nil" notification has also decreased, moving from 26% in 1995 to 7% in 2023. When combining the data for those that notified subsidies and those that made a "nil" notification, the overall rate of notifications has seen a notable decline. In 1995, 77% of Members provided some form of notification, and this decreased to 49% by 2023. On the other hand, the percentage of Members that did not submit any form of notification has increased remarkably. Starting at 23% in 1995, this figure reached 51% in 2023.

[5] The European Union is counted as one.

Table 6.1 Status of subsidy notifications (due on 30 June of the year shown)

New and full subsidy notification	% share of total													
	1995	1998	2001	2003	2005	2007	2009	2011	2013	2015	2017	2019	2021	2023
Members that notified subsidies	51%	40%	45%	45%	48%	49%	49%	48%	50%	49%	48%	46%	41%	42%
Members that made a "nil" notification	26%	17%	15%	14%	13%	12%	18%	22%	19%	19%	16%	11%	9%	7%
Subtotal notifying Members	77%	57%	60%	59%	61%	61%	67%	70%	69%	68%	64%	57%	50%	49%
Members that did not make any notification	23%	43%	40%	41%	39%	39%	33%	30%	31%	32%	36%	43%	50%	51%

Note: As of 2 October 2024.

Source: WTO Secretariat.

6.9. 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.

6.10. Fifty Members[6] submitted semi-annual reports, either of countervailing actions taken, or of no actions having been taken, during the six-month period January-June 2024. To date, 49 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 2024. 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

6.11. Unlike the Anti-Dumping Agreement or the SCM Agreement, the Agreement on Safeguards does not oblige Members to submit semi-annual reports. On the other hand, the Agreement on Safeguards requires Members to notify individual safeguard actions, such as the initiation of an investigation or the imposition of a 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 Agreement on Safeguards, all Members are required to notify to the Committee on Safeguards their laws, regulations and administrative procedures relating to safeguard measures. As of 1 October 2024, 77 Members had notified their legislations, while 48 Members had notified that they had no such legislation. Fourteen Members had not filed any notification.

Balance-of-Payments restrictions

6.12. 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 (described in Table 6.2).

Table 6.2 Notification procedures for BOPs restrictions

Legal source	Notification requirement	Type
GATT Article XII:4(a) GATT Article XVIII:12(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,	*Ad hoc,* followed by annual consultations *Ad hoc,* followed by biennial consultations

[6] The European Union is counted as one.

Legal source	Notification requirement	Type
	alternative corrective measures which may be available, and the possible effect of the restrictions on the economies of other Members	
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	*Ad hoc,* followed by a yearly consolidated notification

Source: WTO Secretariat.

6.13. 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.

Committee on Import Licensing

6.14. 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 6.3.

Table 6.3 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 *ad hoc*	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 *ad hoc*	N/1 N/2
3	New import licensing procedures and changes to existing procedures	Articles 5.1-5.4 of the Agreement	*Ad hoc*	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.

6.15. 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 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.

6.16. 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.[7] 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).[8] The N/3 notification requires Members to reply to a Questionnaire describing all import licensing procedures in place by 30 September every year.

6.17. As of 15 October 2024, 13 Members had not yet submitted any notification under any provision of the Agreement since joining the WTO, while 21 Members never replied to the Annual

[7] WTO document G/LIC/28, 1 May 2019.
[8] See footnote 1 to WTO document G/LIC/28, 1 May 2019.

Questionnaire under Article 7.3. During the review period, as of 15 October 2024, 90 new notifications under the Agreement on Import Licensing were received and circulated by the Secretariat. [9] The Committee reviewed 53 N/2 notifications relating to the institution of new import licensing procedures or changes in these procedures from 15 Members and 37 N/3 notifications from 33 Members.

Customs valuation

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

6.19. 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. Members must also provide answers to a "Checklist of Issues" provided for in the Annex to WTO document G/VAL/5. During the review period, several Members updated these notifications. The number of Members that have notified their customs valuation legislation stands at 115, including 4 Members during the period of review, whereas the number of Members that have provided their answers to the Checklist of Issues stands at 84, including 5 Members during the period of review.

6.20. In addition, Members are required to notify the Committee of the date of application of the Decision on the treatment of interest charges in the customs value of imported goods[10], and Members that apply paragraph 2 of the Decision on the valuation of carrier media bearing software for data processing equipment must notify the Committee of their practice.[11] As of mid-October 2024, 65 Members have submitted notifications relating to the Decision on the treatment of interest charges, including 5 Members during the period of review, and a total of 61 Members have submitted notifications with regard to the Decision on the valuation of carrier media, including 6 Members during the period of review

Integrated Database (IDB)

6.21. 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.

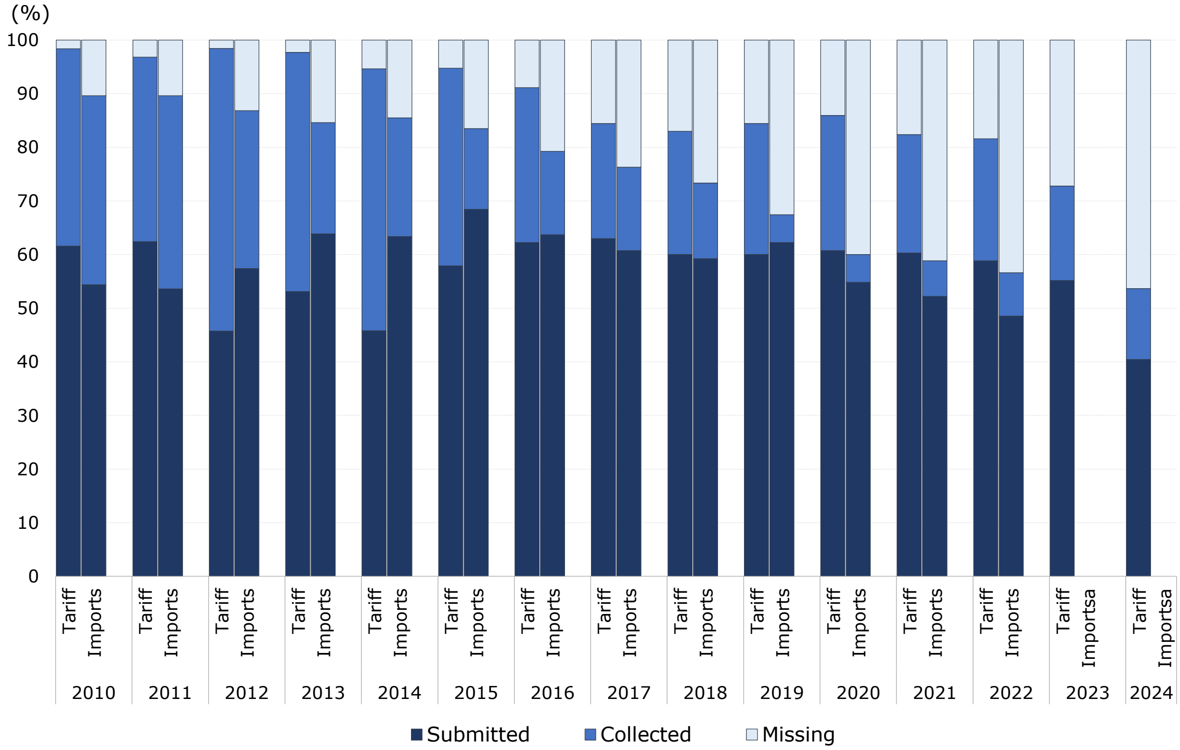
6.22. Chart 6.2 shows the completeness of tariff and import notifications to the IDB directly submitted by Members or collected by the Secretariat. As of 7 October 2024, the completeness of IDB notifications stood at 84% for tariffs and 76% for import statistics. The coverage of the 2024 tariff information which was due for 30 March 2024 was at 54%. The coverage of the 2022 import statistics was 57%.

6.23. The IDB notifications' coverage varies among Members. As shown in Table 6.4, 48 Members (35%) have complete tariff information, and 55 Members (40%) have complete import statistics in the IDB. The table also shows high percentages of Members with at least 6 years of outstanding notifications - 28% for tariffs and 36% for imports.

6.24. 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.

[9] The European Union and its member States are counted as one.
[10] GATT document VAL/6/Rev.1, 1 October 1984.
[11] GATT document VAL/8, 10 October 1984.

Chart 6.2 Completeness of IDB tariff and import notifications, 2010-24



a Notifications of imports for 2023 and 2024 were not due at the time of reporting.

Note: The completeness of notifications is calculated on the basis of the number of Members' schedules (i.e. EU member States are included in the European Union's schedule, and Liechtenstein in Switzerland's). Information provided by the European Union on the period since 1 January 2021 covers its current 27 member States. For the period until 31 December 2020, tariff information provided by the European Union also covers the United Kingdom.

Source: WTO Secretariat, as of 7 October 2024.

Table 6.4 Completeness[a] of notifications among Members

Number of years with outstanding data	Tariffs (up to 2024)		Imports (up to 2022)	
	No. of Members	%	No. of Members	%
None (complete data)	48	35	55	40
1-2 years	25	18	15	11
3-5 years	26	19	18	13
6 or more years	39	28	50	36
Total number of Members' schedules	138	100	138	100

a The completeness of notifications is calculated on the basis of the number of Members' schedules (i.e. EU member States are included in the European Union's schedule, and Liechtenstein in Switzerland's). Information provided by the European Union on the period since 1 January 2021 covers its current 27 member States. For the period until 31 December 2020, tariff information provided by the European Union also covers the United Kingdom.

Source: WTO Secretariat, as of 7 October 2024.

Preferential trade arrangements

6.25. Under the Transparency Mechanism for Preferential Trade Arrangements (PTAs), which was established in December 2010[12], 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 presentations. Since the establishment of the Transparency Mechanism, 13 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

[12] WTO document WT/L/806, 16 December 2010.

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.

6.26. The Transparency Mechanism for PTAs also stipulates that an electronic database on individual PTAs is to be maintained by the Secretariat. The Database on PTAs[13] currently contains information on 37 PTAs. Table 6.5 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 6.5 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 (01/01/2010-10/10/2016)[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	2	Generalized System of Preferences (01/01/2021-18/06/2023)[f]
		Developing Countries Trading Scheme (as of 19/06/2023)
United States	6	African Growth and Opportunity Act
		Andean Trade Preference Act[g]
		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 18 June 2023.
g The preferences granted under this PTA expired on 31 July 2013.

Source: Database on PTAs.

Preshipment inspection

6.27. 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

[13] WTO, PTA database. Viewed at: http://ptadb.wto.org.

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 119.

Quantitative restrictions (QRs)

6.28. 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 all QRs they have in force, as well as any changes in the interim. As of 21 October 2024, a total of 62 Members (counting the EU-27 as one) had submitted QR notifications and 77 Members had never submitted a notification since the requirement was established in 2012.[14] The number of notifications for each biennial period is provided in Table 6.7.

Table 6.6 Notification procedures for QRs

No.	Notification requirement	Total number of notifications received as at 21 October 2024, by biennial period
1	QRs in force (regular notification)[a]	2012-14: 24 Members 2014-16: 33 Members 2016-18: 33 Members 2018-20: 51 Members 2020-22: 45 Members 2022-24: 34 Members 2024-26: 13 Members
2	Changes to the QRs maintained (*ad hoc*), or introduction of new QRs	2012-14: 2 Members notified changes to existing QRs 2014-16: 2 Members notified changes to existing QRs 2016-18: No Member notified changes to existing QRs 2018-20: 19 Members notified changes to existing QRs, most of which related to measures introduced as a result of the COVID-19 pandemic 2020-22: 22 Members notified changes to existing QRs, most of which related to measures introduced as a result of the COVID-19 pandemic 2022-24: 11 Members notified changes to existing QRs 2024-26: 2 Members 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/14, forthcoming.

Source: WTO Secretariat.

Rules of origin

6.29. There are 3 types of rules of origin that Members have agreed to notify to the WTO Secretariat:

i. Preferential rules of origin applied in the context of regional trade agreements: all WTO Members have notified to the WTO that they have entered regional trade agreements. The details about these agreements are notified to the Committee on

[14] WTO document G/MA/QR/14, forthcoming.

Regional Trade Agreements (CRTA) including information about the applicable rule of origin. The CRO has decided that a notification to the CRTA is sufficient and does not require a separate notification to the CRO.

ii. Preferential rules of origin applied in the context of non-reciprocal trade preferences for least-developed countries: for preference-granting WTO Members, such origin requirements must be separately notified to the CRO (G/RO/LDC/N series). The information notified must use a template agreed to by the Committee.[15] Some Members have regularly updated their notifications and only two Members have not submitted the relevant information to the CRO. Document G/RO/W/163 contains regular updates about the status of these notifications.

iii. Non-preferential rules of origin applied in the context of trade policy purposes as defined by Article 1 of the Agreement on Rules of Origin and notified under Article 5: As of end of September 2024, 57 Members have informed the CRO that they apply non-preferential rules of origin while 60 other Members have informed the CRO that they do not. Twenty Members have not yet submitted the necessary information. Annex 1 of the Committee's Annual Report to the Council for Trade in Goods contains the detailed list of Members under each category. In addition, it should be noted that Members are currently discussing the adoption of a template to update and standardize the information received in this area.

State Trading Enterprises

6.30. 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 6.6 presents notifications received for the years in which a new and full notification was due.

Table 6.7 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	2024
Number of Members that have notified	65	65	72	64	63	66	66	62	65	69	55	49	48	35

Note: As of 2 October 2024.

Source: WTO Secretariat.

6.31. From 15 October 2023 to 15 October 2024, Members submitted 330 notifications (including addenda and corrigenda). A total of 331 questions were posed concerning individual notifications at the 27-29 November 2023, 23-24 May, and 25-26 September 2024 CoA meetings that took place during this period. Most questions related to domestic support notifications (84%), with the notifications from Brazil, Canada, European Union, India, Japan, and the Republic of Korea being subject to an extensive review based on multiple questions from other Members. A total of 23 questions addressed overdue notifications from Australia, Brazil, Canada, the European Union, India, Paraguay, Tanzania, Thailand, and the United States.

Services

6.32. Between October 2023 and October 2024, 32 new notifications were made under various GATS provisions. Chart 6.3 shows the number of notifications per year between 1995 and September 2024, pursuant to GATS Articles III:3, V:7 and VII:4.

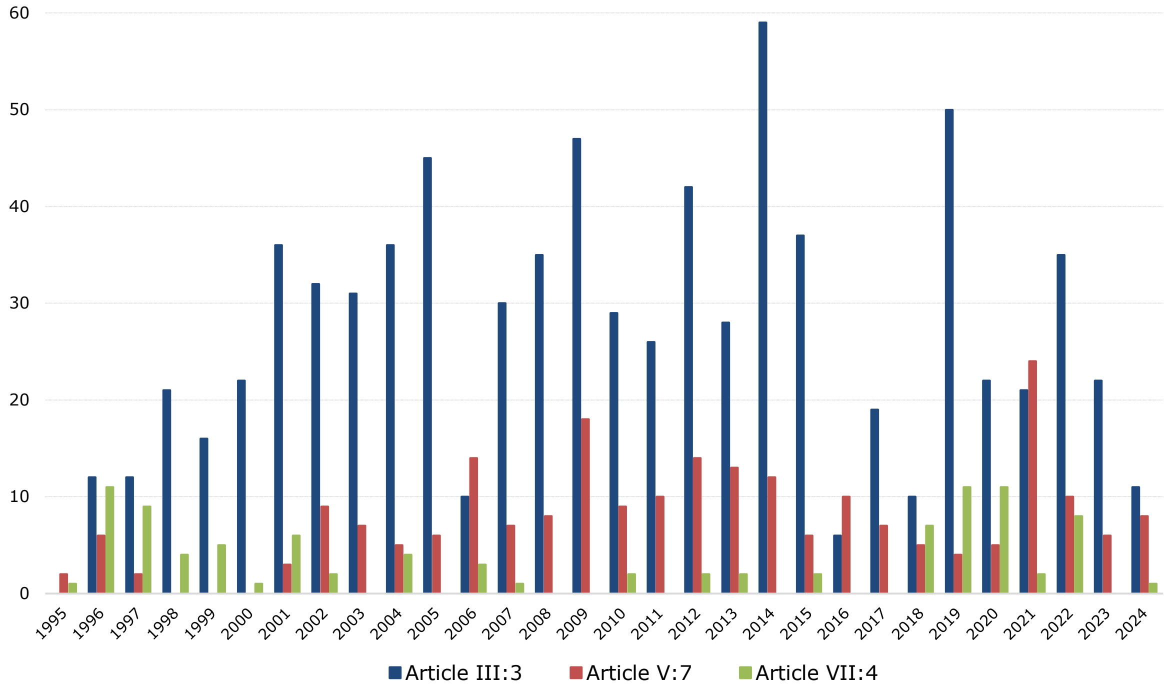
6.33. Out of the new notifications submitted, 23 were made under GATS Article III:3. This Article requires Members to notify to the Council for Trade in Services, at least annually, of any regulatory changes that significantly affect trade in services covered by its specific commitments. During the reporting period, there was a decrease in notifications compared to the previous five years.

[15] WTO document G/RO/84, 6 March 2017.

6.34. Eight agreements concerning economic integration in services were notified under GATS Article V:7. These agreements were referred to the Committee on Regional Trade Agreements for consideration. The trend in annual notifications exhibited a continuous upward trajectory until 2012; however, the past decade experienced a relative slowdown, with the notable exception of 2021, during which the highest number of Economic Integration Agreements ever recorded was observed.[16]

6.35. One notification was 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. While notifications under this article have increased since 2018, the current reporting period marks a departure from that trend.

Chart 6.3 Notifications pursuant to GATS Articles III:3, V:7 and VII:4, 1995-2024



Note: 2024 data cover up to 30 September 2024. 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

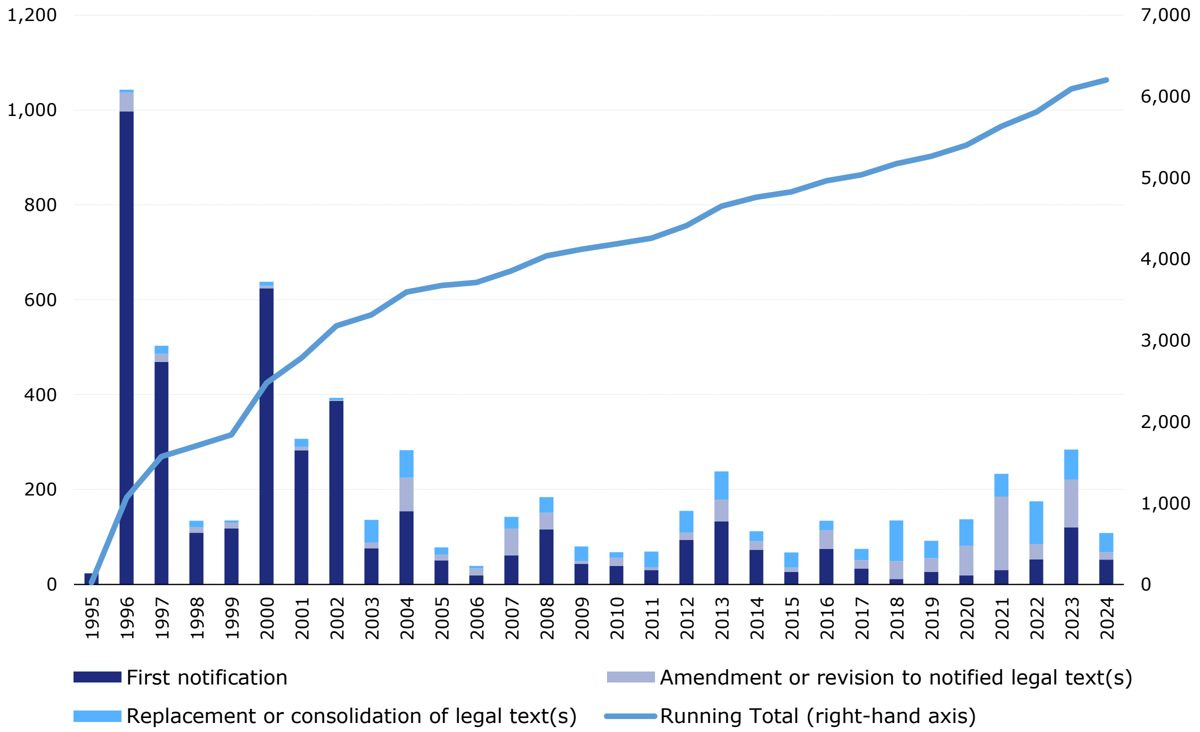
6.36. During the review period, 27 WTO Members submitted 174 notifications to the TRIPS Council, under Article 63.2 of the TRIPS Agreement. Chart 6.4 shows the laws and regulations notified from 1995 to 15 October 2024.

6.37. Historically, 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.[17]

[16] In 2021, 18 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.

[17] Viewed at: e-trips.wto.org.

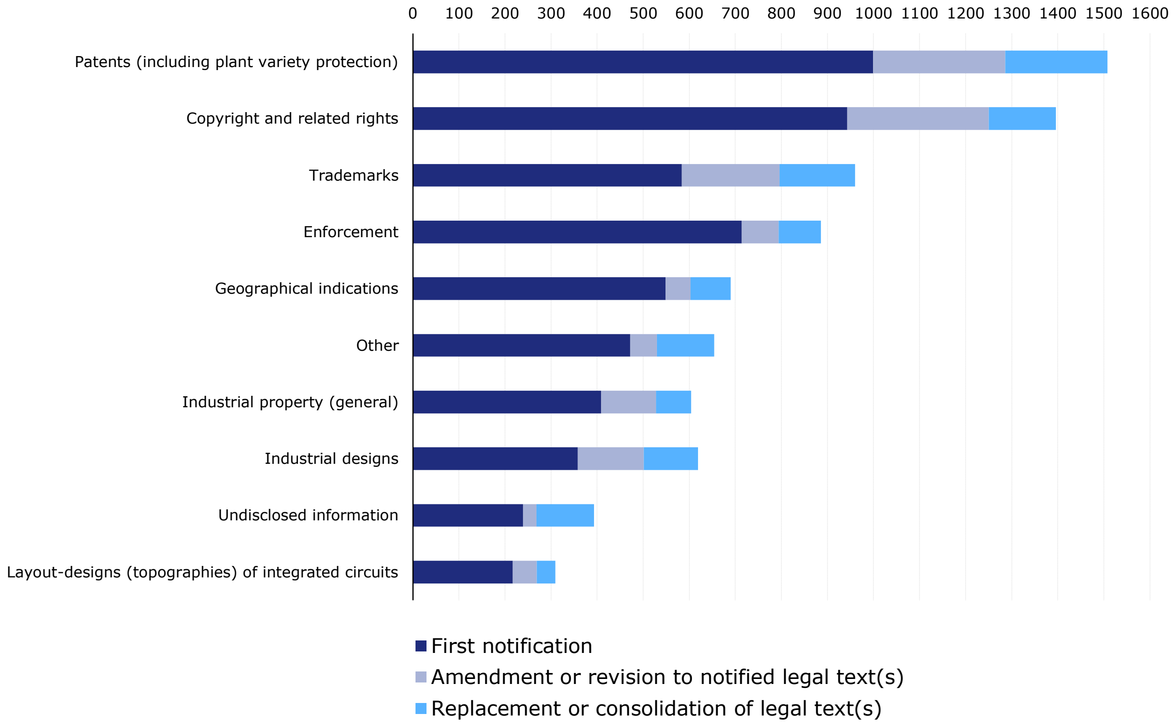
Chart 6.4 Notified laws and regulations under TRIPS Article 63.2 from 1995 to 15 October 2024



Source: WTO Secretariat. e-TRIPS.

6.38. The cumulative total of laws and regulations notified until 15 October 2024 was 6,201 legal texts. Significant gaps in the coverage of more recent laws and legislative amendments remain, as several Members have not updated their initial notifications for over a decade. Chart 6.5 shows the notifications by subject matter from 1995 to 15 October 2024.

Chart 6.5 Notified laws and regulations under TRIPS Article 63.2 by subject matter, from 1995 to 15 October 2024



Source: WTO Secretariat, e-TRIPS.

Technical Cooperation and Technology Transfer

6.39. 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.

6.40. At the April 2024 meeting, the Secretariat presented a new document outlining technical assistance initiatives planned for implementation in 2024.[18] The objective of this information tool is to serve as a comprehensive resource, streamlining access to various forms of TRIPS-related technical assistance offered by the WTO.

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[18] WTO document IP/C/W/710, 15 April 2024.