WTO OMC

9 November 2017

REPORT ON G20 TRADE MEASURES

(MID-MAY 2017 TO MID-OCTOBER 2017)

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Box 1 About the WTO Monitoring Report on G20 Trade Measures

This eighteenth WTO Monitoring Report reviews trade and trade-related measures implemented by G20 economies during the period from 16 May to 15 October 2017. These reports have been prepared in response to the request by G20 Leaders in 2008 to the WTO, together with the OECD and UNCTAD, to monitor and report publicly on trade and investment measures taken by the G20. The previous WTO Monitoring Report on G20 trade measures was issued on 30 June 2017.

This Report is issued under the sole responsibility of the Director-General of the WTO.

The Trade Monitoring Report is first and foremost a transparency exercise. It is intended to be purely factual and has no legal effect on the rights and obligations of WTO Members. It is without prejudice to Members' negotiating positions and has no legal implication with respect to the conformity of any measure noted in the report with any WTO Agreement or any provision thereof.

The Report aims to shed light on the latest trends in the implementation of a broad range of policy measures that facilitate as well as restrict the flow of trade, and to provide an update on the state of global trade. The Report neither seeks to pronounce itself on whether a trade measure is protectionist, nor does it question the explicit right of Members to take certain trade measures. The Reports continue to evolve in terms of the coverage and analysis of trade-related issues, and seek to take into account discussions among G20 economies.

Although the restrictive trade measures covered by the Report have a restraining impact on the flow of trade, almost all such measures appear to have been taken within the flexibilities provided for in the multilateral trading system. For example, with respect to the tariff increases included in the reports, it is important to note that the overwhelming majority of these measures are taken within bound ceilings and do not appear to break WTO rules. Regarding trade remedy actions, it has been highlighted in discussions among G20 economies, as well as more broadly in the WTO, that several of these measures are taken to address what is perceived by some as a market distortion resulting from trade practices of entities in another trading partner. The WTO Antidumping and Subsidies Agreements permit WTO Members to impose antidumping (AD) or countervailing (CVD) duties to offset what is perceived to be injurious dumping or subsidization of products exported from one Member to another. The Reports are not in a position to establish if, where or when such perceived distortive practices have taken place. The Reports have never categorized the use of trade remedies as protectionist, WTO-inconsistent or criticized governments for utilizing them. The main objective of monitoring these measures is to provide added transparency and to identify emerging trends in the application of trade policy measures.

With respect to sanitary and phytosanitary (SPS) and technical barriers to trade (TBT) issues covered in the Reports, it is important to emphasize that they are neither classified nor counted as trade-restrictive or trade-facilitating, and the increasing trend with respect to the number of notifications of such measures is carefully linked to the transparency provisions of the Agreements only. The Reports have consistently underlined the basic premise that an increased number of SPS and TBT notifications do not automatically imply greater use of protectionist or unnecessarily trade-restrictive measures, but rather enhanced transparency regarding these measures. Finally, the Reports clearly emphasize that the SPS and TBT Agreements specifically allow Members to take measures in the pursuit of a number of legitimate policy objectives.

The WTO Secretariat strives to ensure that the Trade Monitoring Reports constitute factual and objective accounts of recent trends in trade policy making. Since 2009, the Reports have aimed to provide a nuanced perspective on developments in the area of international trade. For example, the Reports have consistently drawn attention to the fact that, although the number of specific and often long-term restrictive trade measures remains a source of serious concern, other key factors may influence trade developments. Discussions among G20 economies have also drawn attention to this point and to the fact that, with respect to both, vigilance is required.

KEY FINDINGS

- G20 economies applied 16 new trade-restrictive measures during the review period (mid-May 2017 to mid-October 2017), including new or increased tariffs, export restrictions and local content measures. This equates to an average of just over three restrictive measures per month compared to six during the previous review period.

- G20 economies also implemented 28 measures aimed at facilitating trade over this review period, including eliminated or reduced tariffs and simplified customs procedures. At almost six trade-facilitating measures per month, this remains broadly equivalent to the previous period and to the trend observed for the whole of 2016.

- It is nevertheless worth noting that the trade coverage of trade facilitating measures during the review period (US$27 billion) is markedly lower than the previous period (US$163 billion). The coverage of trade-restrictive measures also fell during the review period, reaching US$32 billion, down from US$47 billion in the previous period.

- Therefore, despite the low number of trade restrictions recorded, their estimated trade coverage (US$32 billion) actually slightly exceeded the estimated trade coverage of import-facilitating measures (US$27 billion). This is a reversal of the findings of the previous Report where the estimated trade coverage of import-facilitating measures was more than three times larger than that of import-restrictive measures.

- The import-facilitating measures implemented during the review period in the context of the ITA Expansion Agreement are estimated at around US$300 billion or 2.5% of the value of G20 merchandise imports.

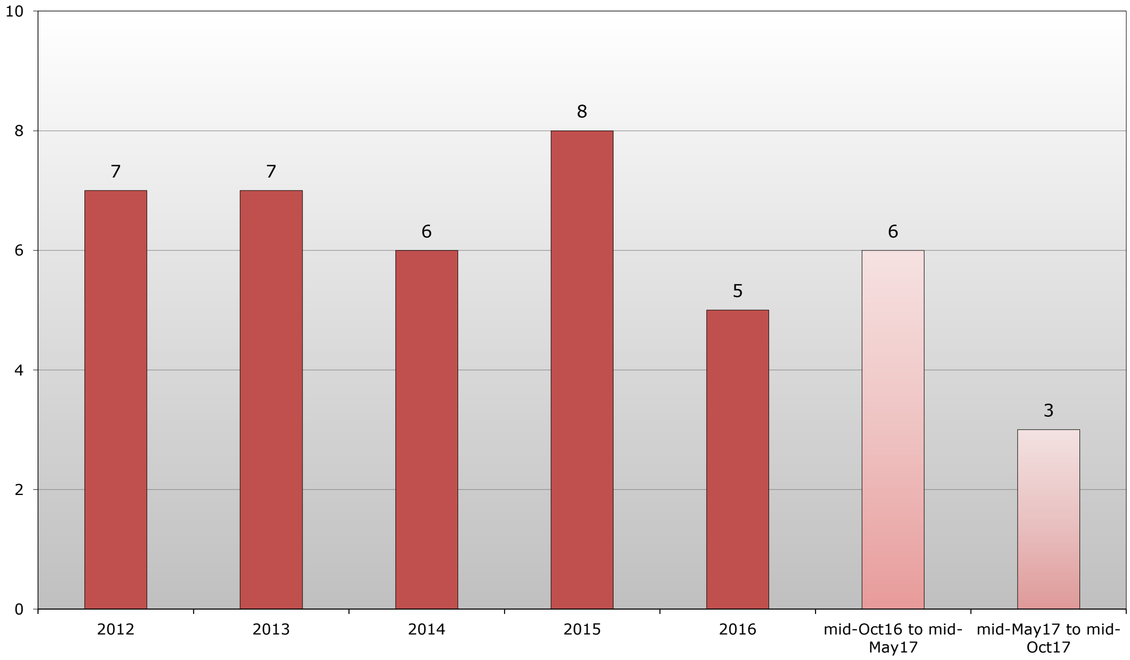
- On trade remedy measures, the review period saw a moderate decline in initiations of investigations by G20 economies and a significant decline of terminations, compared to the previous period and to the whole of 2016. Initiations of trade remedy actions outpaced terminations by a ratio of three to one, marking the highest gap between initiations and terminations since 2012. Initiations of trade remedy investigations represent over 50% of all trade measures recorded during the review period.

- Transparency and predictability in trade policy remains vital for all actors in the global economy. The G20 should show leadership in reiterating their commitment to open and mutually beneficial trade as a key driver of economic growth and a major engine for prosperity.

- Faced with continuing global economic uncertainties, the G20 should seek to continue improving the global trading environment and including through working together to achieve a successful outcome at the 11th WTO Ministerial Conference in December.

G20 Trade-restrictive measures

(average per month)

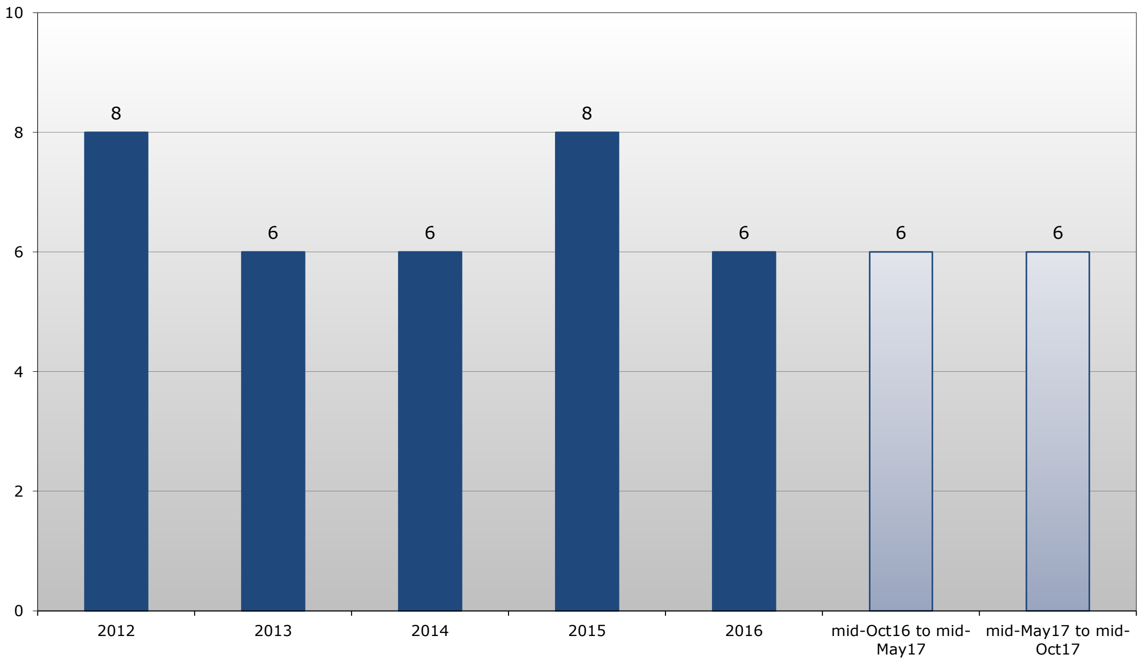


Note: Values are rounded. Changes to averages of previous years reflect continuing fine-tuning and updates of the TMDB.

Source: WTO Secretariat.

G20 Trade-facilitating measures

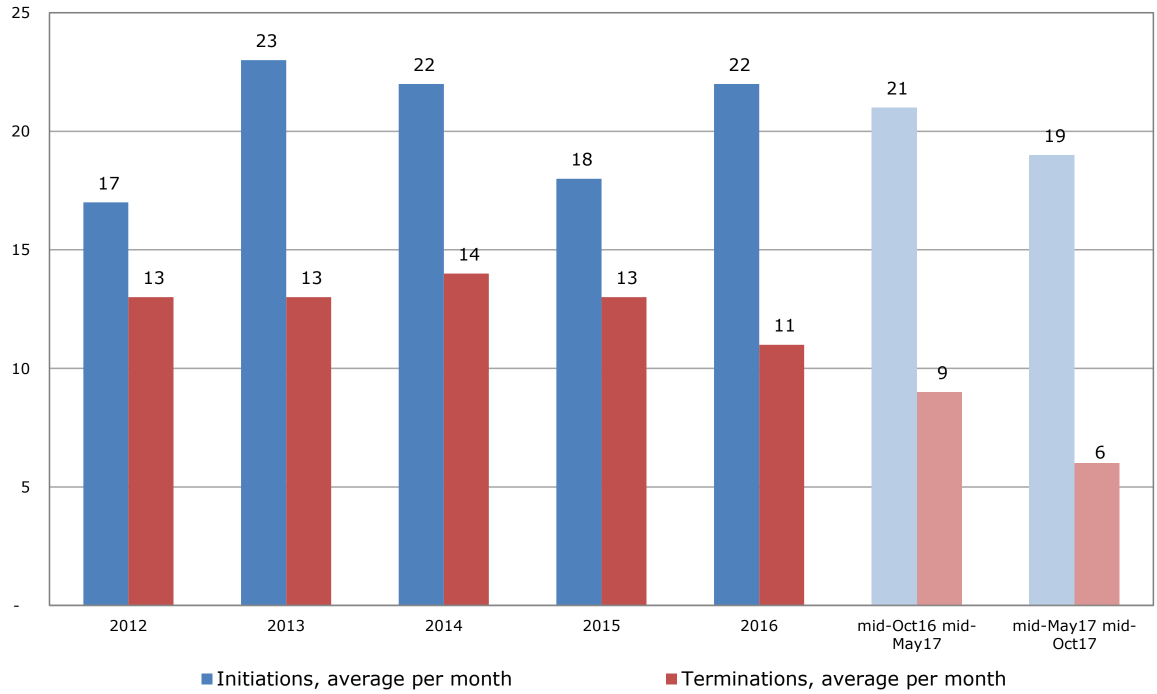
(average per month)



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

Source: WTO Secretariat.

G20 Trade remedy initiations and terminations



Source: WTO Secretariat.

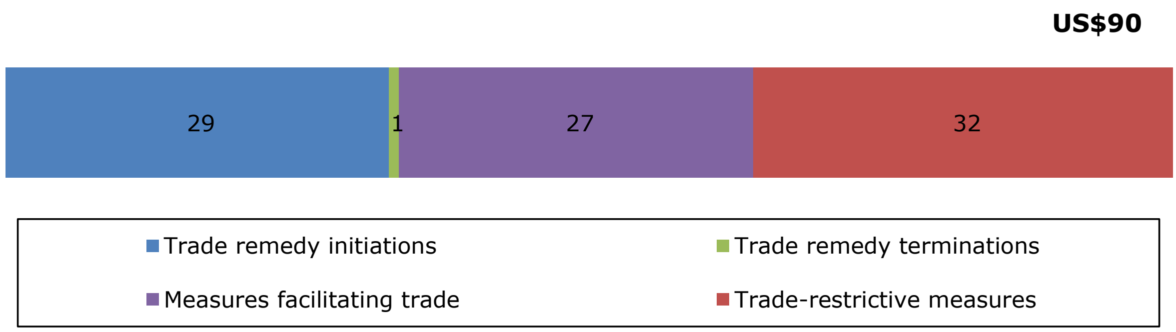
G20 measures, mid-May 2017 to mid-October 2017

(by number)

Source: WTO Secretariat.

Trade coverage of G20 measures, mid-May 2017 to mid-October 2017

(US$ billion)



Source: WTO Secretariat.

EXECUTIVE SUMMARY

This is the eighteenth WTO Monitoring Report on G20 trade measures.[1] It covers the period from 16 May to 15 October 2017.[2] These Reports have been prepared in response to the request by G20 Leaders to the WTO, together with the OECD and UNCTAD, to monitor and report trade and investment measures implemented by G20 economies. The previous Report was issued on 30 June 2017.

G20 economies applied 16 new trade-restrictive measures during the review period (mid-May 2017 to mid-October 2017), including new or increased tariffs, export restrictions and local content measures. This equates to an average of just over three restrictive measures per month compared to six during the previous review period.

G20 economies also implemented 28 measures aimed at facilitating trade during the review period, including eliminated or reduced tariffs and simplified customs procedures. At almost six trade-facilitating measures per month, this remains broadly equivalent to the previous period and to the trend observed for the whole of 2016. The estimated trade coverage of import-facilitating measures (US$27 billion) is slightly lower than that of import-restrictive measures ($32 billion). This is a reversal of the findings of the previous Report where the estimated trade coverage of import-facilitating measures was more than three times larger than that of import- restrictive measures.

The low monthly average of trade-restrictive measures implemented by G20 members during the review period may reflect a number of issues. G20 economies may have opted in favour of implementing less traditional and transparent measures to curtail trade, the Secretariat may have had more difficulties in gaining access to the relevant information and/or G20 economies implemented fewer such measures during this particular review period. In addition, it is perhaps also worthwhile emphasizing that the comparatively low trade coverage of the trade facilitating measures in this Report may simply reflect the fact that the review period did not see measures on high-value or highly-traded goods of the kind which were recorded in the previous Report. The trade coverage of a measure is calculated to be the value of annual imports of the specific product concerned from countries affected by the measure as a share of the value of total world merchandise imports. High-value and highly traded goods may therefore significantly influence the estimation of the trade coverage.

The import-facilitating measures implemented during the review period in the context of the WTO's Information Technology Agreement (ITA) Expansion Agreement amounted to around US$300 billion, according to Secretariat estimates. This is more than three times the figure reported in the June G20 Report.

Initiations of trade remedy investigations in the review period represented more than 50% of trade measures recorded. Initiations of anti-dumping investigations accounted for almost 80% of all trade remedy initiations. G20 members initiated on average 19 and terminated 6 trade remedy investigations per month during the review period. This marks a moderate decline in initiations of trade remedies and a significant decrease in terminations compared to the previous period and to the whole of 2016. Initiations of trade remedy actions outpaced terminations by a ratio of three to one, marking the highest gap between initiations and terminations since 2012. The main sectors affected by trade remedy initiations during the review period were electrical machinery and parts thereof, organic chemicals and paper products. The main sectors where trade remedy duties were terminated were organic chemicals, iron and steel and man-made filaments. The trade coverage of trade remedy initiations and terminations recorded in this Report is estimated at US$29 billion and US$1 billion, respectively.

A range of other subjects are also covered by this Report. In the context of the Sanitary and Phytosanitary (SPS) Committee, G20 economies remained active in notifying their SPS measures, accounting for about two-thirds of all regular notifications. More than 70% of all specific trade

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

[2] Unless otherwise indicated in the relevant Section.

concerns (STCs) raised to date have addressed measures maintained by G20 economies. During the review period, the top ten targets of concerns were G20 measures.

Similarly, G20 economies are the most frequent users of the Technical Barriers to Trade (TBT) Committee's transparency mechanisms, submitting almost half of all new regular TBT notifications since 1995. During the review period, regulations of G20 members made up 85% of all 56 measures discussed, both as new STCs as well as previously raised STCs. In both the SPS and TBT Committees, G20 economies have spent significant time discussing STCs, suggesting that the SPS and TBT Committees are increasingly seen as fora in which trade concerns may be effectively resolved non-litigiously.

In the area of agriculture, G20 members' policies provided the focus of the majority of questions under the review process of the Agreement on Agriculture (AoA). These questions for G20 economies' implementation of commitments were equally distributed among the three pillars of the AoA (market access, domestic support and export subsidies). Similarly, the majority of questions raised during the second annual follow-up dedicated discussion to the Nairobi Ministerial Decision on Export Competition, were directed to G20 members and in particular, on how they intended to ensure compliance of their policies with the relevant provisions of this Decision.

Work on the implementation of the WTO's Trade Facilitation Agreement continues to advance. A series of Members concluded their domestic ratification processes, raising the total number of acceptances to three quarters of the entire WTO membership. Members also continued to hand in their implementation schedules, and other notifications under the TFA. The Trade Facilitation Committee started its work and is now fully operational.

On trade in services, several new measures, some horizontal in nature and some affecting a variety of service sectors, were introduced by G20 economies during the review period. As in the past, the majority of these measures provided for additional liberalization or was aimed at strengthening or clarifying regulatory frameworks. At the same time, however, certain services measures implemented during the review period appear to be trade-restrictive.

The report draws also attention to developments in the area of Trade-Related Aspects of Intellectual Property Rights (TRIPS), including the strengthening relation between intellectual property (IP) and trade and the development of national policies aimed at streamlining IP into the economy. G20 economies are at the forefront of this trend and several of them adopted new national and regional policies related to IP and the digital economy.

International trade flows have rebounded strongly during the review period after having slowed sharply in 2016. World merchandise trade volume growth in the first half of 2017 was 4.2%, well above the 1.3% increase recorded for the whole of last year. World real GDP growth at market exchange rates is projected to pick up to 2.8% in 2017 from 2.3% in 2016. Despite improvements in several forward looking economic indicators, downside risks could still undermine any trade recovery, including trade policy measures, monetary tightening, geopolitical tensions and natural disasters. The WTO's latest trade forecast (21 September 2017) has world merchandise trade volume increasing by 3.6% in 2017, with growth placed within an expected range from 3.2% to 3.9%. The pace of expansion should moderate to 3.2% in 2018, set within a wider range from 1.4% to 4.4% reflecting the greater uncertainty of longer-term forecasts.

Faced with continuing global economic uncertainties, the G20 should show leadership in reiterating their commitment to open and mutually beneficial trade, and continuing to strengthen the rules-based multilateral trading system. G20 members should seek to continue improving the global trading environment and work together to achieve a successful outcome at the 11th WTO Ministerial Conference in December.

1 INTRODUCTION

1.1. This eighteenth WTO Monitoring Report reviews trade and trade-related measures implemented by G20 economies during the period 16 May to 15 October 2017.[3] The G20 Trade Monitoring Reports have been prepared in response to the request by G20 Leaders to the WTO, together with the OECD and UNCTAD, to monitor and report trade and investment measures implemented by G20 economies consistent with their undertakings on resisting trade and investment protectionism. The previous Trade Monitoring Report, which covered the period from 15 October 2016 to 15 May 2017, on G20 economies was issued on 30 June 2017.

1.2. This Report is issued under the sole responsibility of the Director-General of the WTO and is above all a transparency exercise. It is intended to be purely factual and has no legal effect on the rights and obligations of WTO Members. It is without prejudice to Members' negotiating positions and has no legal implication with respect to the conformity of any measure noted in the Report with any WTO Agreement or any provision thereof.

1.3. The Report seeks to shed light on the latest trends in the implementation of a broad range of policy measures that facilitate as well as restrict the flow of trade. It provides an update on the main indicators of the world economy and on the state of global trade. It neither seeks to pronounce itself on whether a trade measure is protectionist, nor does it question the explicit right of Members to take certain trade measures. The Reports have continued to evolve in terms of the coverage and analysis of trade-related issues, taking into account discussions among and input from G20 economies, so as to provide the best possible regular updates on developments in trade and trade policy-making.

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

1.5. The four annexes to this Report comprise new measures recorded for G20 economies during the review period. Measures implemented outside this period are not included in these annexes. As a result of the very limited information provided by G20 economies on their programmes of global economic support, it has not been possible to establish a separate annex on such measures. A summary table, listing all trade measures recorded since the beginning of the trade monitoring exercise in October 2008 with an indication of their status, as updated by G20 delegations, is made available separately, and can be downloaded from the WTO's website.[4] This information is also publicly available through the Trade Monitoring Data Base (TMDB).[5]

1.6. Information on measures included in this Report has been collated from inputs submitted by G20 economies and from other official and public sources. Initial responses to the Director-General's request for information were received from all G20 delegations. These data, as well as information collected from other sources, were returned for verification. However, in several cases the Secretariat received only partial responses, and often significantly after the indicated deadline. While this may have prevented the Secretariat from fully taking into account the information submitted, such information will be reflected in the Director-General's Annual Report for the Overview of Developments in the International Trading Environment which will be circulated in mid-November 2017. Where it has not been possible to confirm the information, this is noted in the Annexes.

1.7. The OECD has contributed three topical boxes to this Report. The first is on the topic of Making Trade Work for All. The second looks at Global Value Chains and Economic Transformation and the third focuses on the Changing Face of Agriculture and Food Trade. The International Trade Centre has provided a box on How Non-Tariff Measures Affect MSMEs.

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

[4] https://www.wto.org/english/tratop_e/tpr_e/trade_monitoring_e.htm

[5] http://tmdb.wto.org/

2 RECENT ECONOMIC AND TRADE DEVELOPMENTS

2.1 Overview

2.1. World trade growth picked up markedly in the first half of 2017 after slowing sharply in 2016. The volume of world merchandise trade as measured by the average of seasonally-adjusted exports and imports was up 4.2% in the first half of this year compared to the same period last year. Trade was also up strongly in value terms, with year-on-year increases of 9.3% for merchandise exports and 4.9% for commercial services exports in current U.S. dollar terms.

2.2. These increases represent a substantial improvement over 2016, when international trade flows declined in value terms and trade volume growth fell to its lowest level since the financial crisis. The dollar value of world merchandise exports fell 3.2% to US$16 trillion in 2016 while exports of commercial services were nearly unchanged at US$4.8 trillion. Meanwhile, merchandise trade grew just 1.3% in volume terms in 2016 (average of exports and imports), down from 2.6% in 2015.

2.3. Global economic activity also appears to be strengthening in 2017 according to consensus estimates of gross domestic product (GDP). World real GDP growth at market exchange rates looks set to expand by 2.8% in 2017, up from 2.3% in 2016 and roughly equal to the average rate of increase since 1980.

2.4. Several factors have contributed to the upturn in world trade in 2017. Asian trade flows have strengthened, partly due to stronger intra-regional trade as China and its neighbours have recovered from a period of financial volatility in early 2016, and partly due to stronger extra-regional shipments as demand has risen in the United States and remained steady in the European Union.

2.5. Prospects for imports in resource exporting regions have also brightened as commodity prices have risen year-on-year, boosting export revenues that support higher imports. South America in particular should exert less of a drag on the world economy going forward as Brazil emerges from its two-year recession.

2.6. Global economic performance has also been influenced by more fundamental changes in the structure of global demand. In particular, the rebalancing of China's economy away from manufacturing and toward services may cause Chinese import demand to moderate due to the fact that the import content of services is relatively low. An increasing share of services in Chinese value added (up from 43% in 2008 to 54% in October 2017) may weigh on trade growth in the short-run, but this shift should permit stronger, more sustainable growth over the longer term.

2.7. Export volumes of developed economies are up 3.1% for the year-to-date in 2017, compared to 1.4% for the whole of 2016. Shipments of developing economies have grown even more, up 5.9% in 2017 compared to 1.3% in 2016. Imports of developed economies have continued to grow at a modest pace, rising 2.1% in the first two quarters of 2017 compared to 2% in 2016, but this is expected to pick up in the second half of the year. Meanwhile, imports of developing economies are up sharply this year (6.8%) after stagnating last year (0.2%). Trade developments in current dollar terms should be interpreted with caution as they are strongly influenced by commodity prices and exchange rates. In the first half of 2017, the dollar depreciated by 2.5% on average against the currencies of U.S. trading partners, while the price of oil increased by 34%. Despite their recent rise, oil prices remain low by recent historical standards.

2.8. Trade growth was stronger than expected in the first half of the year, prompting the WTO to upgrade its trade forecast for 2017 and 2018 on 21 September. The WTO Secretariat now anticipates merchandise trade volume growth of 3.6% in 2017, set within a range of from 3.2% to 3.9%. Trade volume growth should moderate to 3.2% in 2018, set within a wider range of from 1.4% to 4.4% reflecting the higher level of uncertainty associated with longer-term forecasts. The improved outlook for trade could still be undermined by downside risks, including the possibility that protectionist rhetoric translates into trade-restrictive actions, increasing geopolitical tensions and a rising economic toll from natural disasters across several regions. On the other hand, synchronized trade expansion across regions could be self-reinforcing, leading to more positive outcomes. As a result, optimism about trade prospects should be tempered with an appropriate degree of caution.

Box 2.1 OECD – Making Trade Work for All

Since the crisis of 2008-09, trade growth has slowed, while public scepticism about trade in some countries has grown. Against this background, the OECD recently released a document entitled *Making Trade Work for All*, which argues that while there are good reasons for public dissatisfaction in some advanced economies, trade is not the root of many problems, nor can it solve them on its own.[a]

The concerns expressed by the public have their roots in genuine problems: prolonged low growth in many advanced economies; rapid technological change; rising inequalities; widening productivity gaps among firms; and stagnant wages for many workers.

But cutting off trade is not the answer: trade has helped lift more than a billion people out of poverty. Trade lowers prices, particularly important for low-income households who spend more of their income on tradables, such as food and clothing. Trade is not about imports vs exports: exports provide firms with access to larger markets, but in an age of global value chains, imports are also ingredients for both domestic production and exports, and can contain the country's own previous exports -- all sustaining jobs at home. Open economies create more and better jobs, while closed markets do the opposite.

To make trade work better for more people, governments need to take a much more integrated policy approach, acting across three main areas:

***Creating the environments at home where the benefits of trade can materialize through policies that encourage opportunity, innovation and competition**:* This means reducing the unnecessary costs that policies can impose on traders, especially MSMEs and young firms. Streamlining trade procedures and tackling restrictions on services offer significant, economy-wide benefits – including for manufacturers and agrofood exporters. It also means investing more in people, in the education and training that equip women and men with the skills to adapt to changing economies. It means connecting people to jobs and markets through investments in physical and digital infrastructure. And it means transparent regulations that enable competition, underpinned by the rule of law.

Doing more to bring everyone along: This goes beyond adjustment assistance to investments for inclusive growth, from health and education to activation frameworks that make work pay; from labour-market inclusion to promoting mobility, by linking entitlements to people, not jobs; and from well-designed income support and counter-cyclical social spending to targeted measures that revitalize regional economies, where trade shocks can be concentrated. It means looking to future challenges in an era of digitalization, and ensuring that policy toolkits are fit for purpose.

***Making the international system work better, harnessing the full range of international economic cooperation tools**:* Trade is also shaped by the other ways that countries interact with each other in the global economy, from cooperation on competition policy, taxation and anti-corruption, to responsible business conduct, labour standards, and environmental protection. The international economic cooperation toolkit includes legally binding rules and dispute settlement mechanisms, centred at the WTO, a range of plurilateral, regional and bilateral trade and investment arrangements, voluntary guidelines and 'soft law', such as those housed at the ILO and the OECD, as well as policy transparency and dialogue. Policy makers need to do more to level the international playing field, addressing gaps in the rules and doing more to ensure that everyone, from companies to countries, plays by the rules. How governments do trade policy also matters. Trade policy-making needs to become a more open conversation, where more people can inform and be informed by the debate, and feel more confident that the trade-offs inherent in reaching agreements make sense.

The world is more integrated than ever before; policy needs to catch up. This calls for an integrated approach, nationally and internationally, to make the whole system more free, fair, and open; making trade work for all.

[a] https://www.oecd.org/trade/making-trade-work-for-all.pdf

Source: OECD.

2.2 Economic Developments

2.9. Global merchandise trade in volume terms has tended to grow faster than world real GDP at market exchange rates over the past decades, about 1.5 times as fast on average since 1950 and two times as fast between 1990 and 2008. The ratio of world trade growth to world GDP growth dropped sharply after the global financial crisis, falling to around 1:1 from 2012-15 and declining further to 0.6:1 in 2016. The ratio for 2016 was the lowest since 2001 but it is expected to rebound in 2017. If current forecasts are realized, the ratio should rise to 1.3:1 in 2017.

2.10. The global economy appears to have picked up in the review period, although some countries and regions continue to outpace others in terms of output growth. In the United States, GDP growth slowed to an annualized rate of 1.2% in the first quarter of 2017 before strengthening to 3.1% in the second quarter. Growth in the second quarter was the strongest since Q2 of 2007, and was led by private consumption expenditure. The unemployment rate fell to 4.2% in April 2017 from 4.9% in the second quarter of last year.

2.11. GDP growth also accelerated in the European Union in the latest period, rising to 2.7% (annualized) in Q2 from 2.2% in Q1 and 1.7% in the second quarter of 2016. Growth in the euro area in Q2 was slightly slower than for the European Union as a whole (2.6%) while the pace of expansion in the United Kingdom was considerably weaker (1.2%). Unemployment in the European Union has continued to fall, dropping to 7.6% in August from 7.7% in July and from 8.5% in August of last year. Unemployment varies considerably across EU countries. For example, the jobless rate for August 2017 was 3.6% in Germany while it was 9.8% in France. Unemployment remained relatively low in the United Kingdom at 4.3% in June, the latest month for which data were available.

2.12. Japan's economy grew at a 2.5% annualized rate in the second quarter, up from 1.7% in the first and 2% in the second quarter of 2016. The latest period marked the strongest quarterly growth since the first quarter of 2012, with private consumption and investment contributing in equal measure to the expansion in Q2. The country's unemployment rate of 2.8% in August 2017 was unchanged from the previous month and was within range of the 3.1% rate recorded for August last year.

2.13. China's economy grew at an annualized rate of approximately 7% in the second quarter of 2017, up from 5.3% in the first quarter. No comparable harmonized employment rates are available for China, but economic activity and presumably employment continues to shift gradually away from manufacturing and toward services.

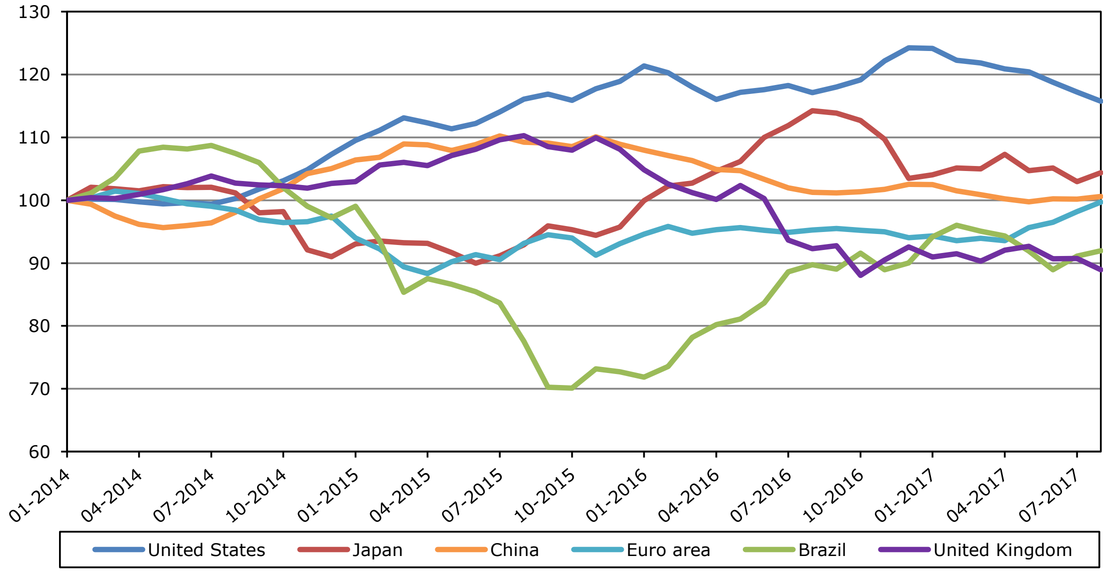
2.14. Economic growth in South and Central America remains weak, but prospects are improving as the region's largest economy exits recession. Brazilian GDP growth of 4.2% in the first quarter ended eight consecutive quarters of economic contraction. Although growth slowed to 1.1% in the second quarter, the economy continued to expand. Meanwhile, growth in Argentina slowed from 4.8% in Q1 to 2.8% in Q2.

2.15. Large exchange rate fluctuations in recent years have strongly affected nominal trade statistics, most of which are expressed in U.S. dollar terms. Recent developments are illustrated by Chart 2.1, which shows indices of nominal effective exchange rates for selected economies through August 2017. The dollar has been depreciating against the currencies of U.S. trading partners since the start of 2017, falling 6.8% since last December and 1.2% year-on-year in August. However, the dollar remains up slightly (+1.6%) for the year-to-date (January-August) compared to the same period in 2016. Dollar depreciation tends to inflate commodity prices as well as trade flows not denominated in dollars, most notably intra-EU trade. Other key exchange rate developments through August include a 0.6% year-on-year depreciation in the Chinese yuan, an 8.7% fall in the value of the Japanese yen, a 3.6% drop in the UK pound, and a 4.6% rise in the euro.

2.16. Commodity prices for metals and fuels bottomed out in January of 2016 but subsequently rose over the course of that year. Prices eased slightly in the first half of 2017 but have started to recover in recent months (Chart 2.2). For the year-to-date (January to September), prices for fuels and metals have both risen 26% in comparison to 2016. On the other hand, food prices are nearly unchanged (+0.4%) over the same period. The recovery of fuel and metal prices is explained partly by the depreciation of the U.S. dollar and partly by increased demand for raw materials as global economic growth picks up. U.S. crude oil production, which has put downward pressure on oil prices in recent years, remains resilient despite a dip associated with recent hurricane activity. Under current supply conditions a return to prices close US$100/barrel is unlikely in the near future.

Chart 2.1 Nominal effective exchange rate indices for selected economies, January 2014 – August 2017[a]

(index, January 2014 = 100)

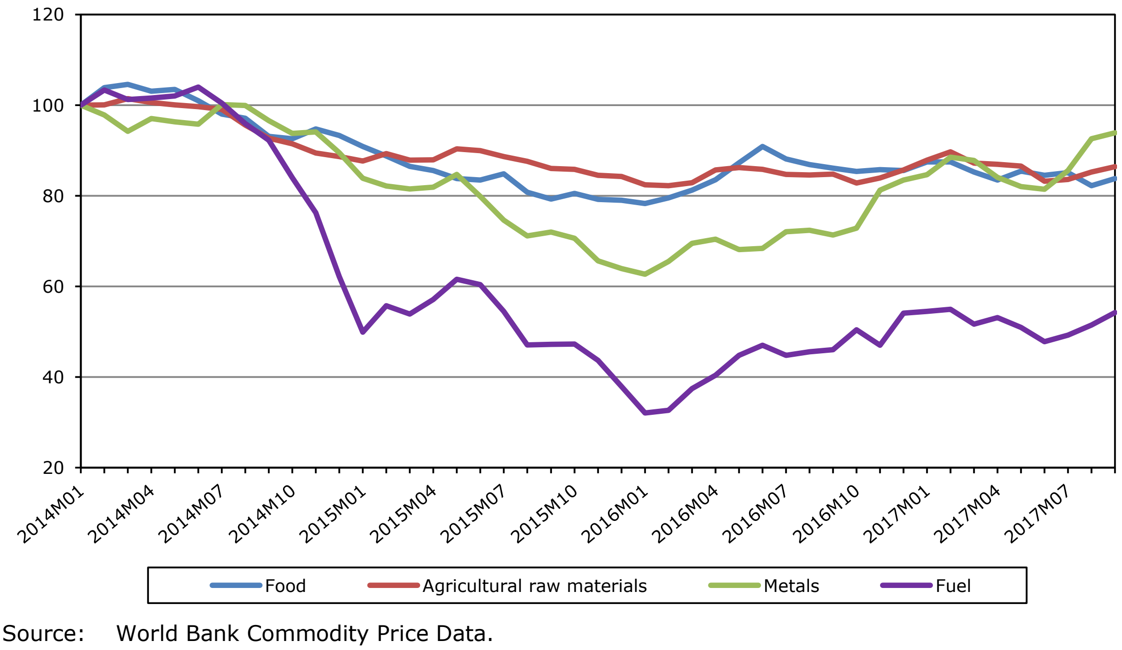


a Nominal effective exchange rate indices against a broad basket of currencies.

Source: Bank for International Settlements.

Chart 2.2 Prices of primary commodities, January 2014 - September 2017

(index, January 2014 = 100)



Source: World Bank Commodity Price Data.

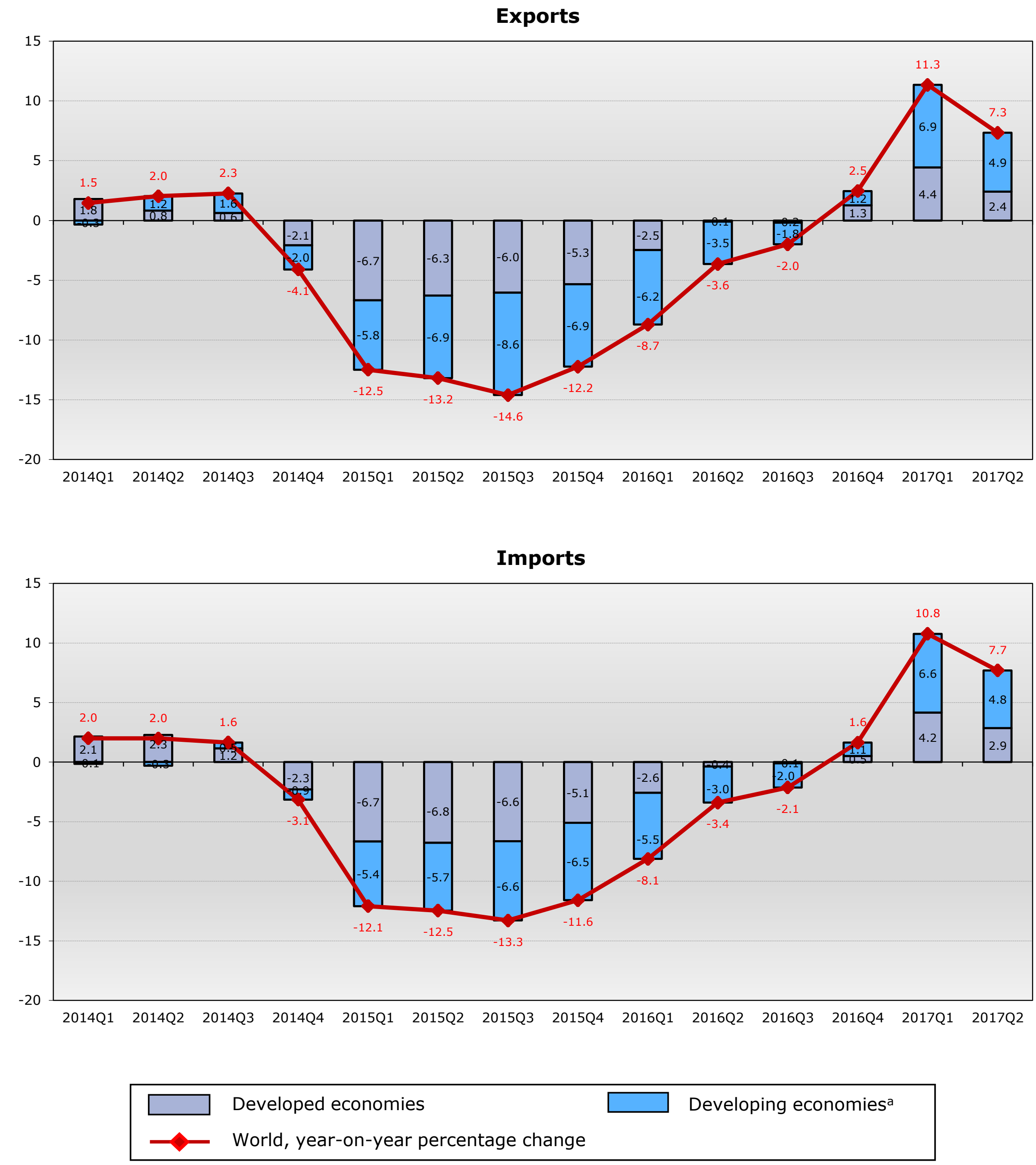
2.3 Merchandise Trade

2.17. Chart 2.3 shows year-on-year growth in the dollar value of world merchandise trade (red line), as well as relative contributions to nominal trade growth from developed and developing economies (stacked bars). World trade was up sharply in the first quarter of 2017, with exports rising 11.3%. Growth eased somewhat in the second quarter but remained strong at 7.3%. Developing economies contributed more to nominal export growth than developed economies in both Q1 and Q2. Developing economies were responsible for 6.9 percentage points out of the

11.3% increase in exports in Q1, or 61% of the total increase. Developing economies also accounted for 4.9 percentage points out of the 7.3% increase in exports in Q2, or 67%. A similar breakdown is found on the import side. Reasons for the strong contribution from developing economies include both stronger recent trade growth and depressed dollar values for developing economy trade in 2016 due to low commodity prices and the appreciation of the US currency over the previous two years.

Chart 2.3 Contributions to year-on-year growth in world merchandise exports and imports, 2014Q1 - 2017Q2

(% change in US$ values)



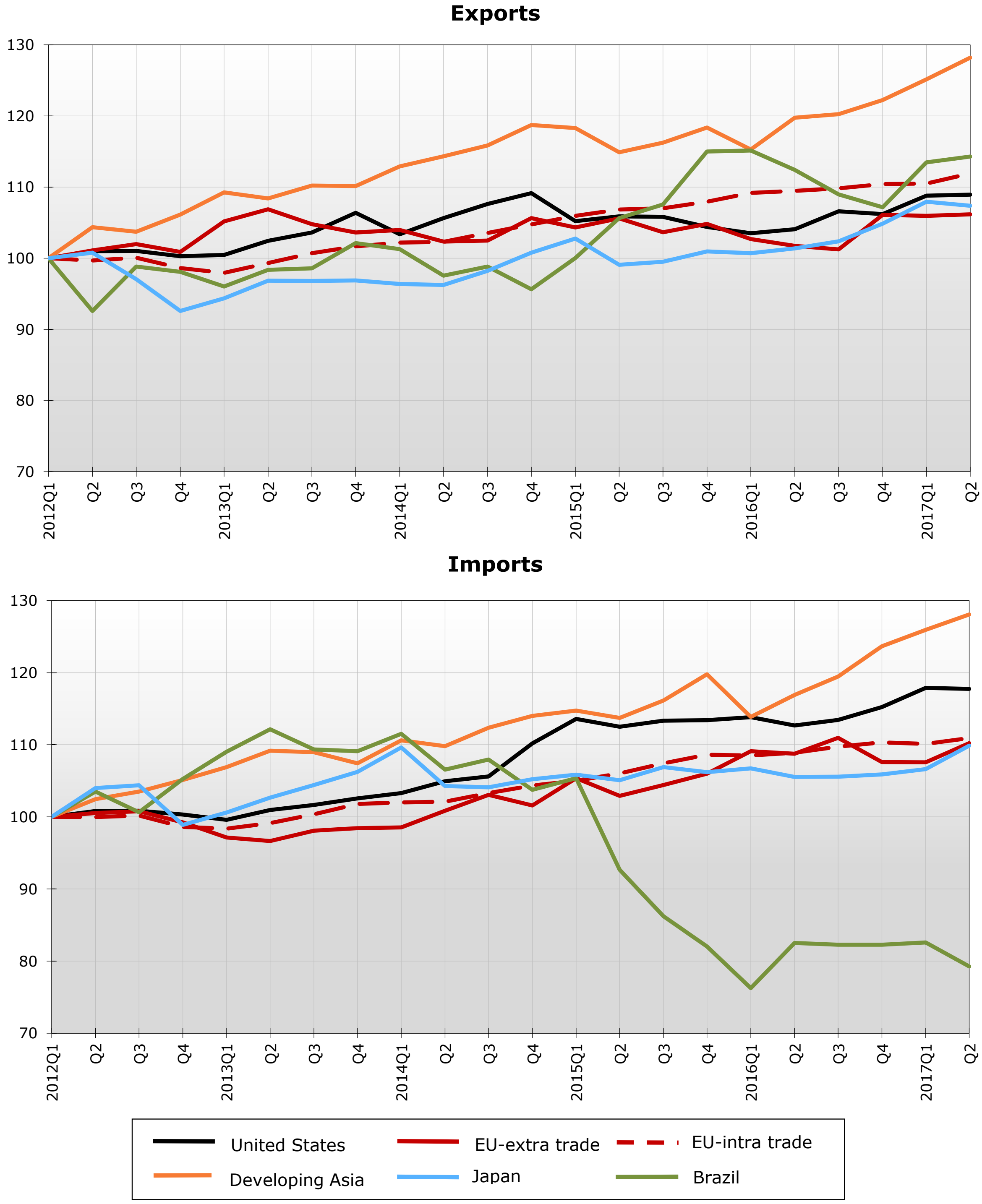
a Includes significant re-exports. Also includes the Commonwealth of Independent States (CIS).

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

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

Chart 2.4 Volume of exports and imports of selected economies, 2014Q1 - 2017Q2

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



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

Source: WTO and UNCTAD Secretariats.

2.18. Merchandise trade volume growth picked up in most major economies during the first two quarters of 2017, although expansion was uneven across countries and time periods (Chart 2.4).

Seasonally-adjusted exports and imports of the United States were up 4.9% and 4%, respectively, in the first half of 2017 compared to 2016. EU-extra exports also increased by 3.8% over the same period while EU-extra imports were flat. Flat year-on-year growth in extra-EU imports does not fully reflect recent growth, as imports increased by 2.5% in Q2 after a weak first quarter. Meanwhile, intra-EU trade was up 1.7%, with stronger growth in Q2 than in Q1. Japan's exports and imports were up 6.5% and 2%, respectively, in the first half of 2017 compared to 2016. Developing Asia (which includes China) recorded a strong 7.8% increase in exports in the first half of 2017, while import growth was even stronger at 10.1%. Brazil's exports stagnated in the first half of 2017, up 0.1% over 2016, while import growth was up to 1.9% compared to the first half of 2016.

2.19. Monthly merchandise trade statistics in current U.S. dollar terms are more timely than quarterly statistics in volume terms. These are shown in Chart 2.5 through August 2017. Growth in most countries has continued to strengthen over the course of 2017, although the fact that data are reported in nominal U.S. dollar terms means that exchange rate fluctuations have to be taken into account when considering developments for particular economies.

2.20. Table 2.1 shows merchandise trade volume and real GDP growth between 2013 and 2018.

Table 2.1 Merchandise trade volume and real GDP growth, 2013-2018

(annual % change)

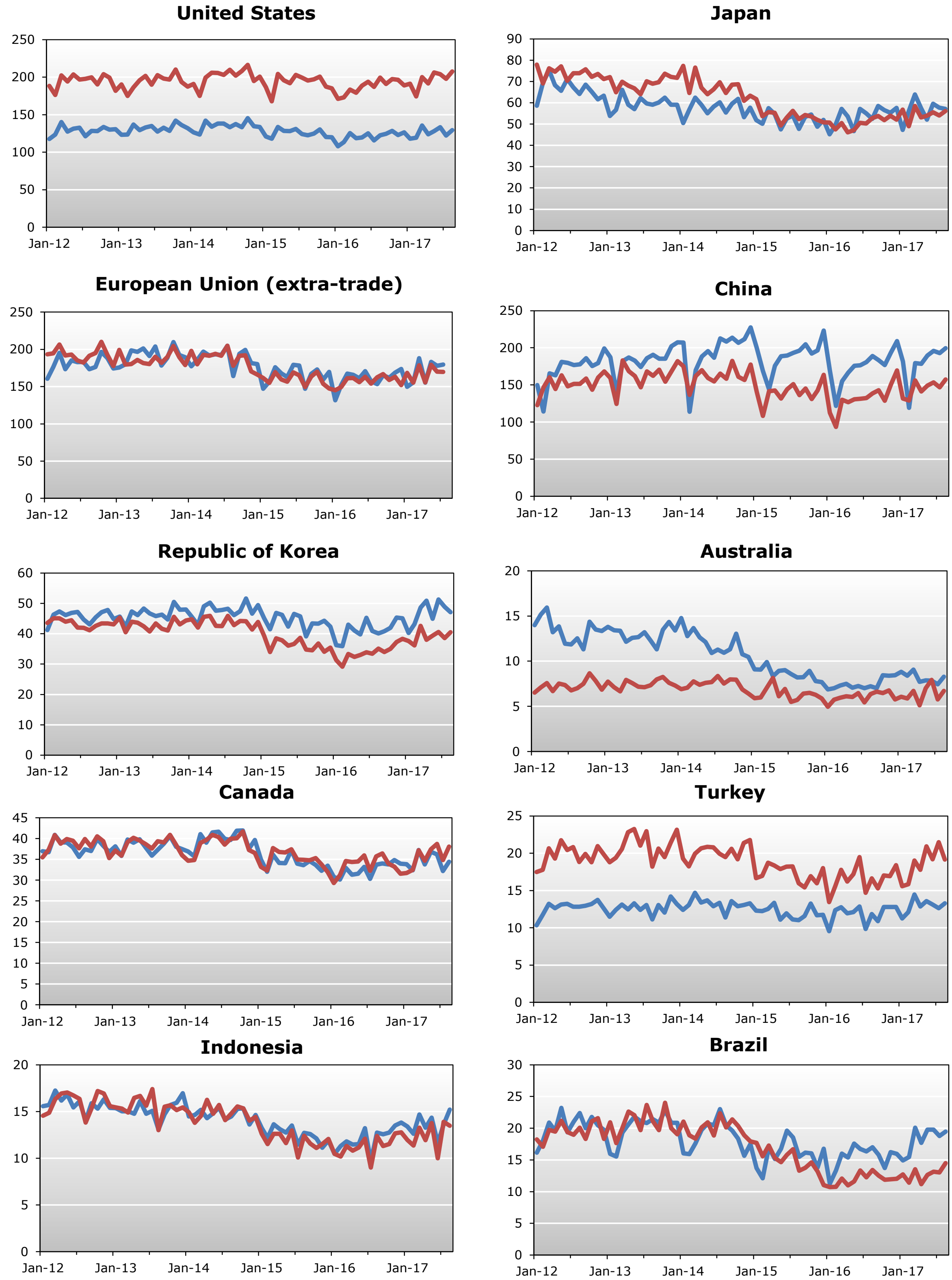
	2013	2014	2015	2016	2017[d]	2018[d]
Volume of world merchandise trade[a]	2.4	2.7	2.6	1.3	3.6 (3.2 - 3.9)	3.2 (1.4 - 4.4)
Exports						
Developed economies	1.7	2.4	2.7	1.4	3.0 (2.8 - 3.2)	2.8 (1.6 - 3.5)
Developing economies[b]	4.0	3.0	1.9	1.3	4.7 (4.2 - 5.2)	4.1 (2.1 - 5.7)
North America	2.7	4.2	0.7	0.5	4.2 (2.5 - 5.3)	3.8 (0.8 - 6.0)
South and Central America	1.7	-2.2	2.5	2.0	0.5 (-1.9 - 2.4)	1.3 (-1.5 - 3.0)
Europe	1.7	2.0	3.6	1.4	2.5 (1.6 - 3.3)	2.5 (1.3 - 3.3)
Asia	5.4	4.3	1.1	1.8	6.4 (5.9 - 7.2)	4.8 (1.9 - 7.5)
Other regions[c]	0.5	0.9	4.3	0.3	0.5 (-1.4 - 2.7)	2.1 (1.2 - 2.8)
Imports						
Developed economies	0.0	3.6	4.7	2.0	3.0 (2.5 - 3.8)	2.9 (2.6 - 3.3)
Developing economies[b]	4.7	1.7	0.5	0.2	5.1 (3.6 - 6.0)	3.7 (-0.9 - 7.0)
North America	1.3	4.8	6.7	0.4	4.1 (3.2 - 4.8)	3.5 (0.7 - 6.1)
South and Central America	4.5	-2.4	-5.8	-8.7	1.1 (-6.8 - 5.9)	2.4 (-8.9 - 9.2)
Europe	-0.2	3.2	4.3	3.1	2.4 (1.7 - 3.3)	2.8 (2.2 - 3.4)
Asia	4.8	3.0	2.9	2.0	5.8 (5.0 - 6.3)	4.0 (1.3 - 6.2)
Other regions[c]	1.8	-0.9	-5.1	-2.4	4.0 (1.5 - 5.6)	2.4 (-3.1 - 6.6)
Real GDP at market exchange rates	2.3	2.7	2.7	2.3	2.8	2.8
Developed economies	1.2	1.8	2.2	1.6	2.0	1.8
Developing economies[b]	4.7	4.3	3.7	3.5	4.1	4.4
North America	1.7	2.4	2.5	1.5	2.1	2.1
South and Central America	3.4	0.9	-0.9	-1.9	0.9	1.8
Europe	0.7	1.8	2.3	1.9	2.2	1.9
Asia	4.6	4.1	4.2	4.1	4.4	4.3
Other regions[c]	2.6	2.5	1.1	1.8	2.1	2.9

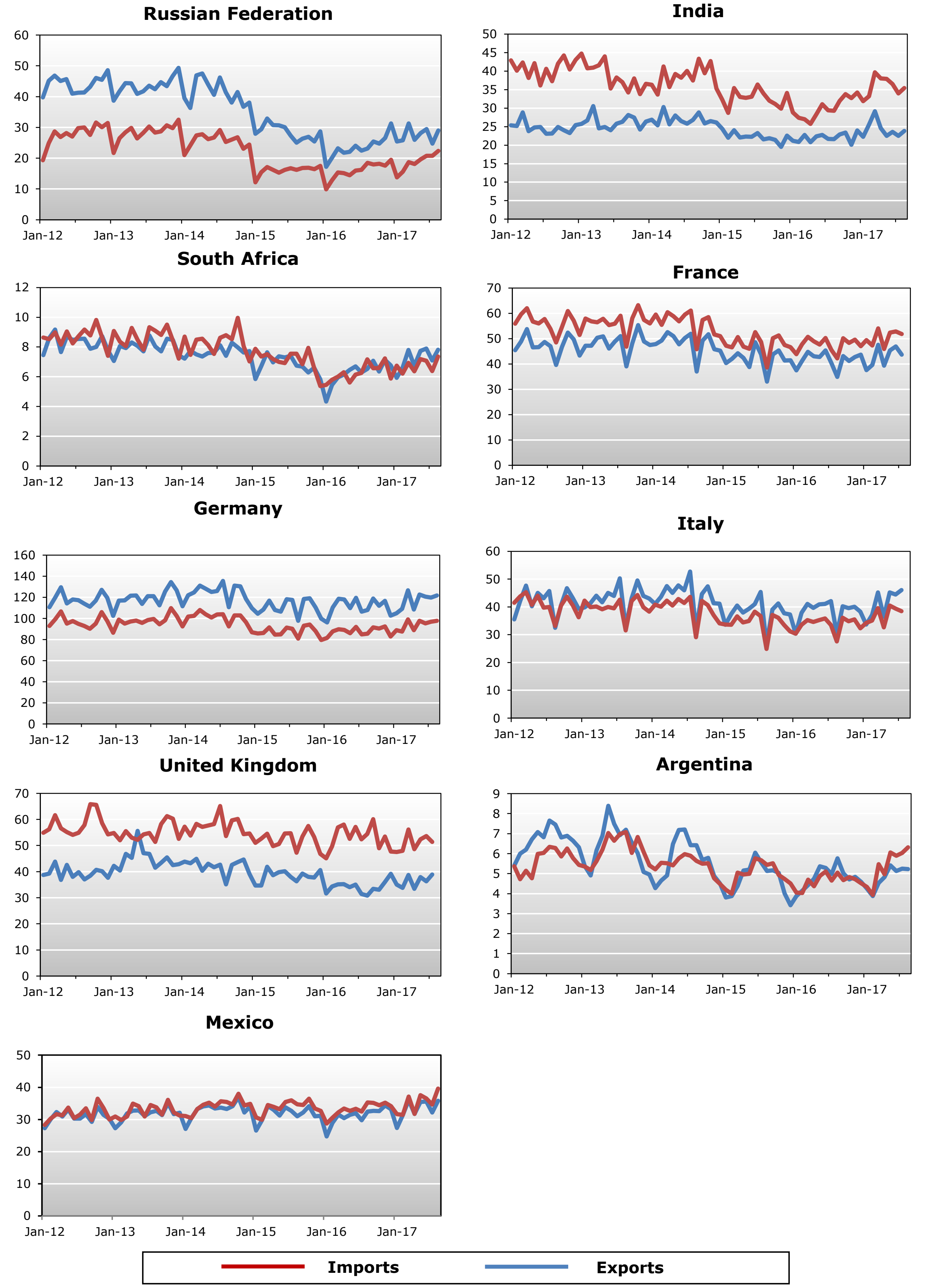
a Average of exports and imports.
b Includes the CIS, including associate and former member States.
c Other regions comprise Africa, the Middle East and the CIS.
d Figures for 2017 and 2018 are projections.

Sources: WTO Secretariat for trade figures; consensus estimates for GDP, with data source from the IMF, OECD, the United Nations, the Economist Intelligence Unit (EIU) and national sources.

Chart 2.5 Merchandise exports and imports of selected G20 economies, January 2012 – August 2017

(US$ billion)





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

2.4 Trade in Commercial Services

2.21. World trade in commercial services accelerated in the second quarter of 2017, with exports rising 5.1% year-on-year (up from 3.4% in Q1) and imports growing 4.7% (up from 4.3% in the previous quarter). Exports by North America, Europe and Asia were up 4%, 4.4% and 5.4%, respectively, in the latest period. Meanwhile, imports increased by 5.3% in North America, 0.4% in Europe and 9.3% in Asia.

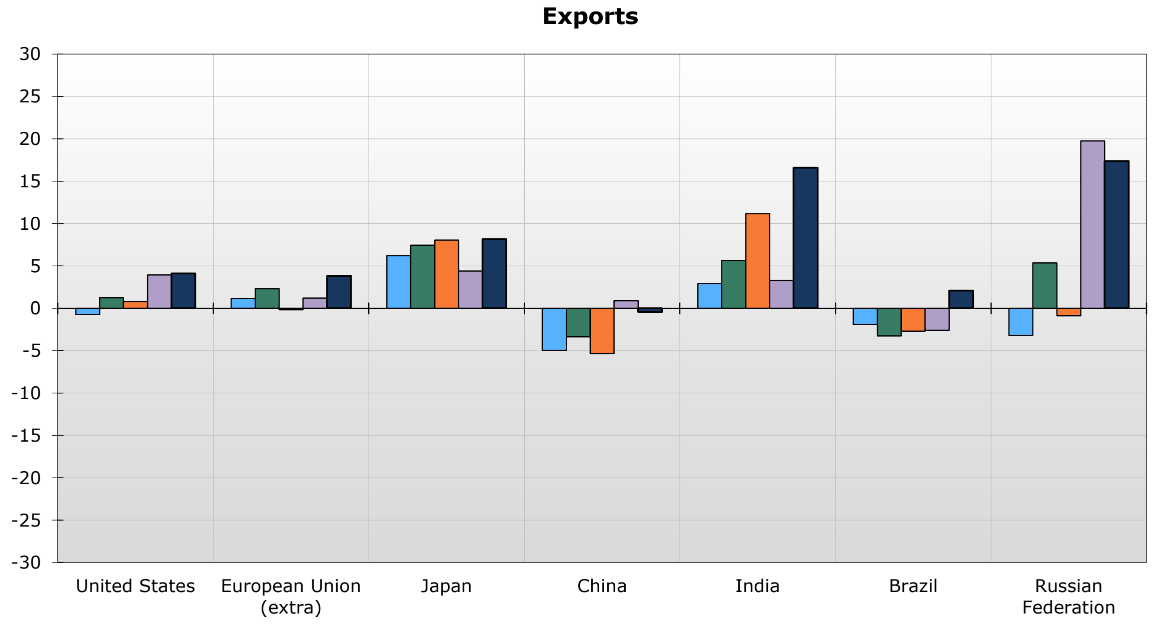
2.22. The fastest growing services sector in Q2 was transport, with year-on-year growth of 6.6%, followed by travel (6.3%), other commercial services (4.2%, including financial services) and goods related services (2.7%).

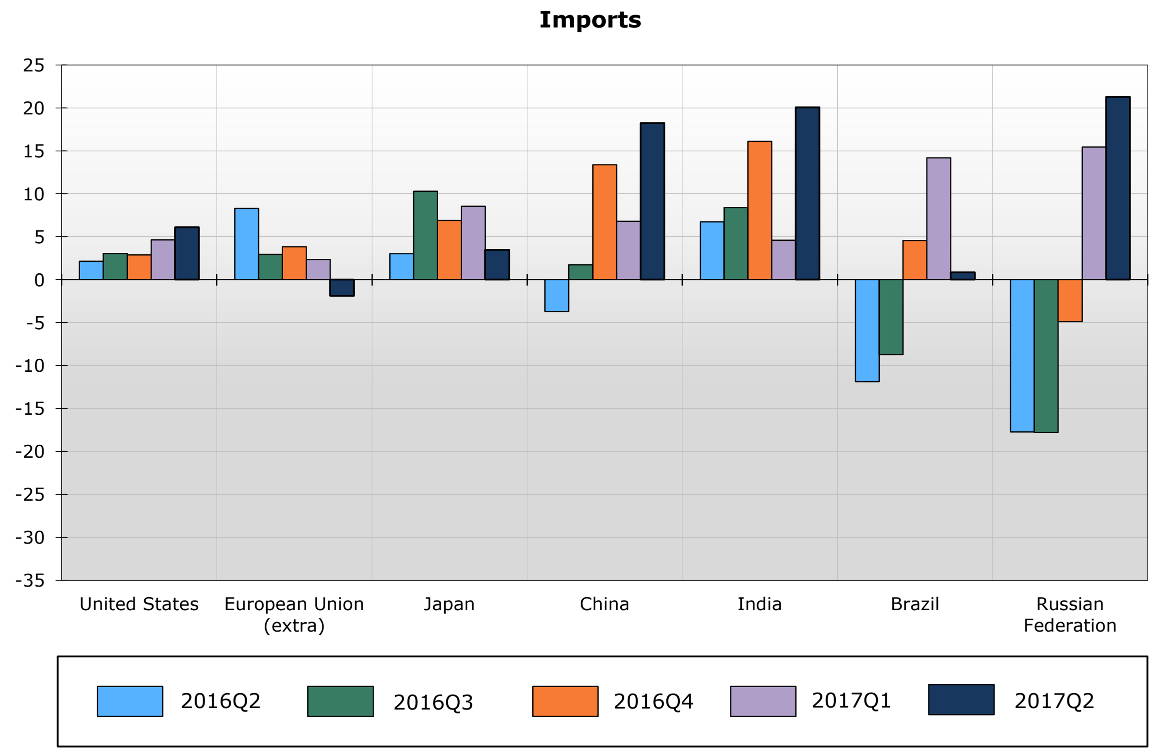
2.23. Exports and imports of commercial services for selected economies are shown in Chart 2.6. Exports of services in the United States were up 4.1% year-on-year in Q2 to US$185 billion. Meanwhile, U.S. imports rose 6.1% to US$131 billion. Extra-exports of the European Union were also higher in the latest quarter, rising to 3.8% above their level in the second quarter of 2016, or US$238 billion. On the other hand, extra-EU imports of services were down 1.9% to US$192 billion. Extra-EU commercial services trade growth looks more impressive when measured in euros. In this case, exports were up 7% and imports were up 1% compared to the previous year. Japanese services exports increased by 8% to US$45 billion, while imports rose 3.5% to US$48 billion.

2.24. Exports of commercial services were up strongly over the previous year in most emerging economies including Brazil (5.5%, US$8 billion), the Russian Federation (17.4%, US$15 billion) and India (16.6%, US$46 billion). China was a notable exception, with exports falling slightly to US$51 billion. Meanwhile, imports were up 0.8% in Brazil (US$16 billion), 21.3% in the Russian Federation (US$22 billion), 20.0% in India (US$39 billion) and 18.2% in China (US$124 billion).

Chart 2.6 Commercial services exports and imports of selected G20 economies, 2016Q2 - 2017Q2

(year-on-year % change in current US$ values)





Source: WTO and UNCTAD.

2.5 Trade Forecast and Economic Outlook

2.25. Due to stronger than expected trade growth in the first half of 2017, the WTO issued an upward revision to its trade forecast on 21 September 2017. The volume of world merchandise trade is now forecast to grow by 3.6% in 2017. The previous estimate for 2017 was 2.4%, though this was set within a range of 1.8%-3.6%, reflecting high economic and policy uncertainty. The new estimate puts the focus on the top end of that range. Growth of 3.6% represents a substantial improvement on the lacklustre 1.3% increase in 2016. The new estimate is placed within a range from 3.2% to 3.9%, reflecting the typical variability of previous forecasts. Trade in 2018 should grow by 3.2%, with this figure set within a wider range of from 1.4% to 4.4% to reflect the inherent uncertainty of more distant forecasts.

2.26. Table 2.1 above summarizes the revised trade forecast. If these estimates are realized, 2017 will be the first year since 2013 with imports of developing economies growing faster than those of developed economies. Whether this means an end to the so-called emerging market trade slowdown remains to be seen. The trade recovery in 2017 should be led by increased shipments in Asia and North America. South America and other resource rich regions may continue to see relatively weak export growth, but their imports should see stronger growth.

2.27. The ratio of world trade growth to world GDP growth, also known as the "elasticity" of world trade, has been stuck at historically low levels of 1:1 or less for the last five years. The ratio fell below 1 to 0.6 in 2016, leading to concerns about a weakening relationship between world trade and output. If the current trade forecast is realized, the elasticity should rebound to 1.3:1 in 2017, easing those concerns somewhat.

2.28. Despite the improved outlook, world trade could easily be undermined by several downside risks, including trade policy measures, tighter monetary policy in developed countries, geopolitical tensions and natural disasters. Some of these risks, although real, are difficult to quantify. As a result, risks to the forecast are predominantly on the downside. On the other hand, the fact that trade growth is now more synchronized across regions than it has been for some time could make the current expansion self-reinforcing and provide some upside potential. More positive outcomes could convince countries to limit recourse to trade-restrictive measures and engage constructively within the multilateral trading system.

Box 2.2 Global Value Chains (GVCs) and Economic Transformation – OECD

The movement of labour and other resources from lower- to higher- productivity activities, within and between firms and sectors, is central to the process of development. Firm integration in GVCs can bolster this process of economic transformation through two main channels: trade in tasks and, more broadly, trade in intermediate inputs, which enable more firms to participate in markets by avoiding the need to develop entire value chains domestically; and, transfer of technologies, know-how and opportunities to "learn through importing" higher quality intermediates and "learn by exporting" which enable more firms to benefit from, and upgrade within, GVCs.

From a national perspective, what matters is not the share of domestic value added (DVA) in a country's exports but rather the way that country builds on its comparative advantages and uses domestic and foreign inputs to drive increased productivity, competitiveness and its overall level of sustainable economic activity. Effective integration in GVCs can contribute to higher overall levels of DVA, growth and jobs.

So rather than attempting to "force" upgrading processes through measures that seek to increase the share of DVA in exports within GVCs, policies should seek to ensure that the overall operating environment for businesses is conducive to increasing productivity growth on a sustainable basis. Reducing import tariffs and other trade restrictions is critical, as are the needed domestic investments in human capital and physical infrastructure, for example.

GVCs vary and their structure matters for the way in which GVC integration supports economic transformation. Vertically organized sectors (such as electronics or autos characterized by few sellers and buyers at each of the stages of the value chain) are more likely to act as a springboard for economic transformation compared to horizontal sectors (characterized by many sellers and buyers). But vertically organized sectors may also create new vulnerabilities and risks, as local shocks may be more likely to be passed through the value chain. This underscores the importance of policies aimed at building resilience to shocks such as those related to FDI strategies which help enable diversification into sectors with different risk profiles. Services are the glue that binds GVCs together. Indicators of the importance of sectors as sellers of value added to others highlight the centrality of support services in GVCs. Regulations reducing competition in support services sectors such as transport and storage, in particular maritime logistics services, are detrimental to the efficiency of the sector itself and of other sectors that rely on it, and for GVC integration. Finally, the longer run economic transformation opportunities from GVC integration are not always in the form of a direct upgrading of production in the integrated sectors. For some, transformation may come in the form of opportunities related to upgrading in support and upstream sectors; this is the case, for example, for supporting services for the mining and quarrying sectors. Yet these support services are often highly regulated; a move toward pro-competitive domestic policies would enhance productivity and competitiveness in those sectors.

Source: OECD.

3 TRADE AND TRADE-RELATED POLICY DEVELOPMENTS

3.1 Overview of Trends Identified During the Period Under Review

3.1. The following Sections provide in-depth analysis of a number of selected trade and trade-related policy developments during the period from mid-May 2017 to mid-October 2017.

3.2. This is the second WTO Monitoring Report on G20 trade measures since a methodology change which saw the introduction of a separate annex for trade remedy measures. Previously, the Report included trade remedies in the analysis of trade-restrictive as well as trade-facilitating measures. In the June 2017 Report some background was provided as to why this approach had proved controversial with many G20 economies over the past few years. These concerns mirrored those which led to a similar change to the WTO-wide methodology in 2012.[6] The introduction of a separate annex for trade remedy measures and the separate treatment and analysis of trends in this area have important implications for the numbers and conclusions of this Report, particularly given the generally significant share of trade remedy actions in the overall number of trade measures. Nevertheless, the Report continues to cover and crystalize the same factual information as previously.[7]

3.3. The WTO trade monitoring exercise is first and foremost about transparency. It is intended to be purely factual and without prejudice to the rights and obligations of WTO Members. The regular Monitoring Reports seek to capture the most recent trends in the implementation of trade measures and contextualize them with the global economic environment and other developments in the international trading system. The contribution of G20 economies in the trade monitoring effort and in establishing a platform for a regular and collective peer review of trade measures is not only fundamental, but also conducive to continuing the substantive debate on the importance of transparency and predictability in trade policy-making.

3.4. A total of 173 trade measures were recorded for the G20 economies by this Report for the review period.[8] This overall figure includes measures facilitating trade, trade remedy measures and other trade and trade-related measures (restrictive measures).

3.1.1 Measures Facilitating Trade

3.5. Annex 1 to this Report lists measures which may be considered as trade-facilitating.

3.6. During the review period, 28 new measures aimed at facilitating trade were recorded for G20 economies (Table 3.1). This represents 16% of the total number of measures recorded. The monthly average of 5.6 trade-facilitating measures recorded for the period is slightly lower than the average recorded for the previous period and also the lowest monthly average recorded since 2013.

3.7. Table 3.1 below shows that among trade-facilitating measures, the reduction or elimination of import tariffs continues to make up the vast majority. Simplified customs procedures for imports were also recorded for a number of G20 economies. On the export side, the elimination and simplification of customs procedures, as well as the elimination of an export ban were recorded. As for the previous report, no elimination of export duties was recorded.

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[6] For example, many WTO Members argue that trade remedy measures are taken to address market distortions resulting from trade practices in another trading partner. The WTO Antidumping and Subsidies Agreements permit WTO Members to impose duties to offset what is perceived to be injurious dumping or subsidization of products exported from one Member to another. The Monitoring Reports are not in a position to establish if, where or when such perceived distortive practices have taken place.

[7] A single methodology to the counting of anti-dumping and countervailing investigations is being applied across the report, i.e. on the basis of the number of exporting countries or customs territories affected by an investigation or by a termination. Thus, one anti-dumping or countervailing investigation involving imports from *n* countries/customs territories is counted as *n* investigations. Similarly, the termination of an anti-dumping or countervailing action is counted as *n* terminations.

[8] See Annexes 1-3. These Annexes do not include SPS and TBT measures which are covered in Sections 3.3 and 3.4. Services measures are analyzed in Section 4 and are listed in Annex 4.

Table 3.1 Measures facilitating trade (Annex 1)

Type of measure	2012	2013	2014	2015	2016	Mid-Oct 16 to mid-May 17 (7 months)	Mid-May 17 to mid-Oct 17 (5 months)
Import	**83**	**62**	**69**	**69**	**60**	**34**	**23**
- Tariff	72	50	58	56	51	29	20
- Customs procedures	8	11	7	9	7	5	2
- Tax	1	1	0	3	2	0	1
- QRs	2	0	4	1	0	0	0
Export	**7**	**4**	**5**	**21**	**10**	**8**	**5**
- Duties	3	2	2	10	4	2	0
- QRs	3	2	1	3	0	0	1
- Other	1	0	2	8	6	6	4
Other	**4**	**1**	**1**	**2**	**2**	**0**	**0**
- Other[a]	4	1	1	2	2	0	0
- Local content	0	0	0	0	0	0	0
Total	**94**	**67**	**75**	**92**	**72**	**42**	**28**
Average per month	*7.8*	*5.6*	*6.3*	*7.7*	*6.0*	*6.0*	*5.6*

a Other than local content measures.

Note: Revisions of the data reflect changes undertaken in the TMDB to fine-tune and update the available information. Facilitating measures now mainly cover Annex 1 measures and those Annex 3 measures which have been reported as terminated by Members.

Source: WTO Secretariat.

3.8. The trade coverage of the import-facilitating measures introduced during the review period was US$27.2 billion[9], i.e. 0.22% of the value of G20 merchandise imports or 0.17% of the value of world merchandise imports.[10] The HS Chapters within which the majority of trade-facilitating measures were taken include machinery and mechanical appliances (HS84) 43.5%, electrical machinery and parts thereof (HS85) 24.9%, precision instructions (HS90) 11.4%, and cereals (HS10) 3.7%.[11]

Box 3.1 Trade coverage of the ITA Expansion Agreement

The review period covered by this 18th WTO Report on G20 Trade Measures includes measures resulting from the implementation of the ITA Expansion Agreement.

According to preliminary estimates, the trade coverage of the import-facilitating measures implemented during the review period in the context of the ITA Expansion Agreement amounted to around US$300 billion or 2.5% of the value of G20 merchandise imports.[a] These measures were implemented by Australia, Canada, China, the European Union, Japan, the Republic of Korea and the United States, and are reflected in Annex 1.

Given the very significant trade coverage value of these measures, they have not been included in the figures evaluating the trade coverage of the trade-facilitating measures in Section 3.1 as it would undermine the value of any comparison with previous Reports.

For more details on the ITA Expansion Agreement see Section 3.5.

[a] Calculated at HS six-digit level and using 2016 import figures.

Source: WTO Secretariat.

[9] Import-facilitating measures include one measure by Brazil (temporary reduction of import tariffs on 790 capital goods) accounting for 70.1% of the total, and two measures by Argentina (temporary reduction of import tariffs) accounting for 15% of the total.

[10] The trade coverage of a measure is calculated to be the value of annual imports of the specific product concerned from countries affected by the measure as a share of either the value of annual merchandise imports of G20 economies or the value of total world merchandise imports. Highly-traded goods may significantly influence trade coverage estimates.

[11] These figures do not include import-facilitating measures implemented in the context of the ITA Expansion Agreement (see Box 3.1).

3.1.2 Trade Remedy Actions

3.9. During the review period, 129 trade remedy actions were recorded for G20 economies (Table 3.2), i.e. three-quarters of all trade measures recorded in this Report. A detailed overview of these trade remedy measures can be found in Annex 2. As can be seen from Table 3.2 below, G20 economies continue to initiate a significantly higher number of new trade remedy investigations compared to the number of trade remedy actions they terminate.[12] In fact, initiations of trade remedy actions taken during the review period outpaced terminations by a ratio of three to one. The monthly average of terminations of trade remedy actions is the lowest level since 2012. Overall, initiations of trade remedy investigations alone represented 56% of the total trade measures recorded in this Report.

3.10. Initiations of anti-dumping investigations continue to be the most frequent trade remedy action, accounting for around 80% of all initiations. This is broadly in line with the share reported in previous reports. The monthly average of initiations of AD investigations fell slightly compared to the previous period.

Table 3.2 Trade remedy actions (Annex 2)

Type of measure	2012	2013	2014	2015	2016	Mid-Oct 16 to mid-May 17 (7 months)	Mid-May 17 to mid-Oct 17 (5 months)
Initiations	**201**	**278**	**258**	**210**	**262**	**146**	**97**
- AD	166	238	208	175	226	124	77
- CVD	22	33	37	31	30	20	16
- SG	13	7	13	4	6	2	4
Average per month	16.8	23.2	21.5	17.5	21.8	20.9	19.4
Terminations	**161**	**153**	**171**	**151**	**137**	**62**	**32**
- AD	130	135	144	122	115	54	28
- CVD	21	15	21	19	15	7	3
- SG	10	3	6	10	7	1	1
Average per month	13.4	12.8	14.3	12.6	11.4	8.9	6.4

Note: The information on trade remedy actions for 2012-2016 is based on the semi-annual notifications by G20 economies. For mid-May 2017 to mid-October 2017, the information is based on the responses and the verification received directly from G20 economies during the preparations for the present Report. Anti-circumvention measures are not included in the above numbers.

Source: WTO Secretariat.

3.11. The trade remedy actions taken during the review period covered a wide range of products. In the case of initiations of investigations, the main sectors (HS Chapters) were electrical machinery and parts (HS85), organic chemicals (HS29), paper and paperboard (HS48), and machinery and mechanical appliances (HS84).

3.12. The trade coverage of all trade remedy investigations introduced during the review period was US$29.4 billion, i.e. 0.24% of the value of G20 merchandise imports, or 0.19% of the value of world merchandise imports (Table 3.3).

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

Table 3.3 Share of trade covered by trade remedy initiations

	Mid-Nov 13 to mid-May 14[a]	Mid-May to mid-Oct 14[b]	Mid-Oct 14 to mid-May 15[b]	Mid-May to mid-Oct 15[c]	Mid-Oct 15 to mid-May 16[c]	Mid-May to mid-Oct 16[d]	Mid-Oct 16 to mid-May 17 (7 months)[d]	Mid-May 17 to mid-Oct 17 (5 months)[e]
Share in G20 imports	0.08	0.13	0.11	0.10	0.47	0.11	0.20	0.24%
Share in total world imports	0.06	0.10	0.08	0.08	0.36	0.08	0.15	0.19%

a Based on 2012 import data.
b Based on 2013 import data.
c Based on 2014 import data.
d Based on 2015 import data.
e Based on 2016 import data.

Source: WTO Secretariat.

3.1.3 Other Trade and Trade-Related Measures[13]

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

3.14. A total of 16 new trade-restrictive measures were recorded for G20 economies. This equates to an average of just over three restrictive measures per month compared to six during the previous review period. Tariff increases account for 90% of all import restrictive measures recorded, followed by a customs procedure. With respect to export and other measures, local content regulations, a quantitative restriction and reference prices on dairy products were recorded. (Table 3.4).

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

Type of measure	2012	2013	2014	2015	2016	Mid-Oct 16 to mid-May 17 (7 months)	Mid-May 17 to mid-Oct 17 (5 months)
Import	**59**	**59**	**45**	**60**	**44**	**29**	**10**
- Tariff	25	34	29	35	26	15	9
- Customs procedures	25	15	12	18	14	12	1
- Tax	3	3	2	4	2	0	0
- QRs	4	7	2	3	2	2	0
- Other	2	0	0	0	0	0	0
Export	**10**	**20**	**14**	**23**	**7**	**6**	**3**
- Duties	1	1	4	5	2	1	1
- QRs	5	4	5	4	1	3	1
- Other	4	15	5	14	4	2	1
Other	**9**	**4**	**9**	**9**	**10**	**7**	**3**
- Other[a]	5	0	0	0	3	1	0
- Local content	4	4	9	9	7	6	3
Total	**78**	**83**	**68**	**92**	**61**	**42**	**16**
Average per month	*6.5*	*6.9*	*5.7*	*7.7*	*5.1*	*6.0*	*3.2*

a Other than local content measures.

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

Source: WTO Secretariat.

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

3.15. The measures recorded in Annex 3 cover a range of products. The main sectors (HS Chapters) were: animal or vegetable fats and oils (HS15) 27%, machinery and mechanical appliances (HS84) 22.1%, vehicles (HS87) 9.8%, and electrical machinery and parts thereof (HS85) 8%. The trade coverage of the trade-restrictive measures affecting imports introduced during the review period was US$32.2 billion, i.e. 0.26% of the value of G20 merchandise imports or 0.2% of the value of world merchandise imports.[14]

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

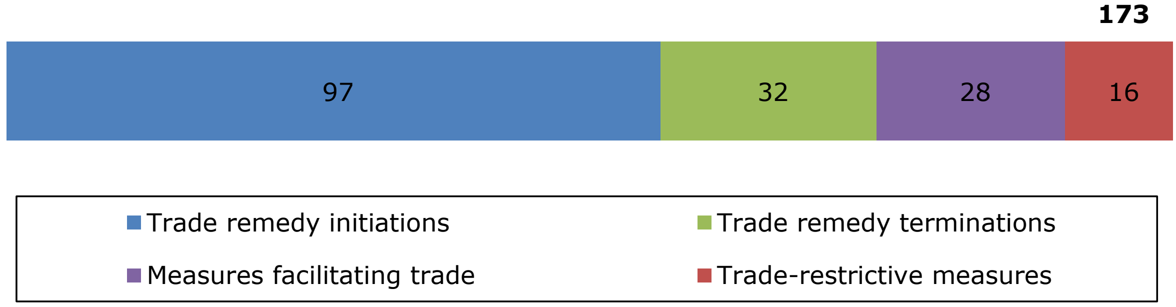
	Mid-Nov 13 to mid-May 14[a]	Mid-May to mid-Oct 14[b]	Mid-Oct 14 to mid-May 15[b]	Mid-May to mid-Oct 15[c]	Mid-Oct 15 to mid-May 16[c]	Mid-May to mid-Oct 16[d]	Mid-Oct 16 to mid-May 17[d]	Mid-May 17 to mid-Oct 17[e]
Share in G20 imports	0.23	0.69	0.93	0.27	0.51	0.11	0.37	0.26%
Share in total world imports	0.18	0.54	0.72	0.21	0.40	0.08	0.29	0.2%

a Based on 2012 import data.
b Based on 2013 import data.
c Based on 2014 import data.
d Based on 2015 import data.
e Based on 2016 import data.

Source: WTO Secretariat.

Chart 3.1 G20 measures, mid-May to mid-October 2017

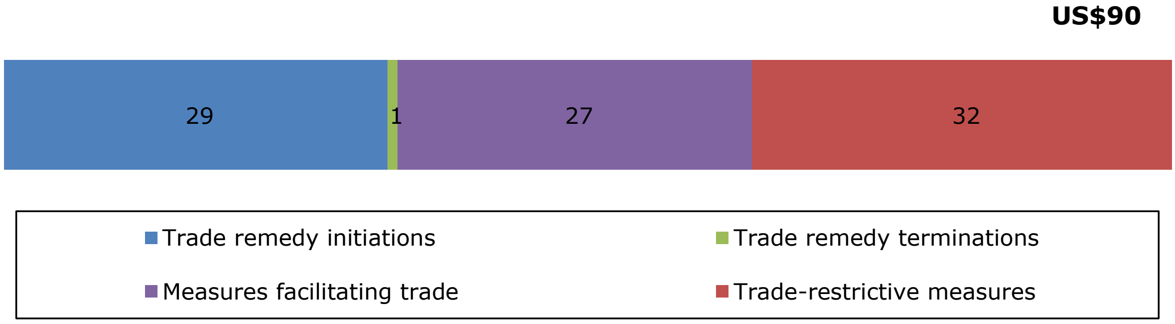
(by number)



Source: WTO Secretariat.

Chart 3.2 Trade coverage of G20 measures, mid-May to mid-October 2017

(US$ billions)



Note: Values are rounded.

Source: WTO Secretariat.

[14] These figures include one measure by Argentina (non-automatic import licensing) accounting for 51.7% of the total, one measure by India (increase of import tariffs on soyabean oil) accounting for 27%, and one measure by Turkey (increase of import tariffs) accounting for 10.2% of the total.

3.16. The above Section has provided detailed information on the latest trends among G20 economies in trade policy making and has confirmed a number of findings of previous reports. For example, the numerical importance of trade remedy measures, anti-dumping measures in particular, in the overall number of trade and trade-related measures is fully consistent with previous reports.

3.17. This Report has recorded an average of just over three restrictive measures per month compared to six during the previous review period. However, despite the low number of trade restrictions recorded during the review period, the estimated trade coverage for import-restrictive measures (US$32 billion) slightly exceeded that of import facilitating measures (US$27 billion). This is a reversal of the findings of the previous Report where the estimated trade coverage of import-facilitating measures was more than three times larger than that of import-restrictive measures.

3.18. Similarly, the trade coverage of all trade remedy investigations introduced during this review period was slightly higher (US$29.4 billion) than the trade coverage of trade-facilitating measures and marginally lower than the trade coverage for import-restrictive measures. Although this may be explained by the very low number of restrictive measures recorded for this Report, it is still a reversal compared to the previous report where the trade coverage of trade remedy investigations was significantly lower than both of these other categories.

3.19. Finally, the low monthly average of trade-restrictive measures implemented by G20 members during the review period may reflect a number of issues. G20 economies may have opted in favour of implementing less traditional and transparent measures to curtail trade (Box 3.2), the Secretariat may have had more difficulties in gaining access to the relevant information and/or G20 economies implemented fewer such measures during this particular review period. In addition, it is perhaps also worthwhile emphasizing that the comparatively low trade coverage of the trade facilitating measures in this Report may simply reflect the fact that the review period did not see measures on high-value or highly-traded goods of the kind which were recorded in the previous Report. The trade coverage of a measure is calculated to be the value of annual imports of the specific product concerned from countries affected by the measure as a share of the value of total world merchandise imports. High-value and highly traded goods may therefore significantly influence the estimation of the trade coverage. Some of the following Sections may cast some light or provide some perspective on these considerations.

Box 3.2 A Business View

In April 2017 the B20 published a survey which had been conducted among all its members representing all G20 economies and economic sectors. The specific objective of the survey was to evaluate the trends in trade policies from a business sector perspective. The online survey was distributed to all members of the B20 Taskforces and Cross-thematic Groups, and asked them to evaluate how 25 types of trade barriers currently affect trade, and how these had evolved since 2011. Survey participants were asked to provide concrete examples for each type of trade barrier, and for their view on how trade barriers could be tackled the most effectively in the short- to mid-term in the view of B20 members.[a]

The results of the B20 survey suggest that, from a business perspective, trade barriers have been rising across the board over the past five years. In particular, according to B20 members, technical barriers to trade (TBT) and regulatory divergences are especially harmful, and represent the type of trade-restrictive measures which have increased the most since 2011. The complexity and vast amount of differing standards, certification schemes and labelling requirements are mentioned as particularly harmful and disruptive to trade flows. The survey appears to emphasize that, although TBT and regulatory trade barriers might be unintentional, they often seem to have the direct intent and effect of discriminating against foreign suppliers.

The survey signals that localization and local content requirements are amongst the trade-restrictive measures that have increased the most since 2011. Issues with respect to data localization regulations were highlighted as more and more harmful, given that the cross-border flow of data is a driver for digital trade and the new industrial revolution. According to B20 members, government procurement was one of the sectors most affected by a lack of transparency, preferences for local suppliers and informal rules rather than legislation.

Trade barriers in the area of intellectual property rights (IPRs) were highlighted by the survey results as among the most harmful trade-restrictive measures, including weak or patchy enforcement of IPRs in relation to patents, copyrights, trademarks and trade secrets. The survey also suggested that joint venture requirements and the forced sharing of IPRs, such as software codes, as a market access criteria were restricting trade. According to the survey, although tariffs have not particularly evolved since 2011, they affect trade considerably and appear as the fifth barrier affecting trade the most.

The survey also reveals that, despite the increasing use of these policy measures, overall, businesses do not see trade remedy measures as significantly affecting trade, and that many other trade measures are seen as having a much more negative effect on imports and exports. It notes that its membership has a wide range of suggestions when it comes to what would be the most effective way to tackle trade barriers and advance liberalization. There were many proposals for multilateral, regional, bilateral, and unilateral trade initiatives as well as calls for more cooperation among countries and stakeholders on regulations, standards, and taxation agreements. Stronger enforcement of existing rules and initiatives – both through international litigation and unilateral measures – as well as fiercer naming and shaming were also mentioned.

The survey offers a number of conclusions and recommendations, particularly in the area of the monitoring and categorization of non-tariff barriers and the importance of an ongoing consultation with business, labour and consumer representatives.

[a] Viewed at: https://www.b20germany.org/priorities/trade-investment/ti-dossier/trade-investment-article/news/rolling-back-protectionism/

Source: WTO Secretariat.

3.2 Trade Remedies[15]

3.20. This Section provides an assessment of trends in trade remedies during the following periods: July – December 2015, January – June 2016, July – December 2016, and January – June 2017.[16] It also includes an assessment of these periods on a six-month and 12-month basis to show trends over time.

Anti-dumping Measures[17]

3.21. The most recent available data (January - June 2017) show a slight increase in the number of anti-dumping investigations initiated by G20 members compared to the previous six-month period (July – December 2016). Table 3.6 shows that G20 members initiated 123 anti-dumping investigations in the most recent period, up from 118 during the previous six months.

3.22. During July 2016 – June 2017, there were notable decreases in the number of investigations initiated by Brazil, India and the United States compared to July 2015 – June 2016. In the same period, a significant increase was seen in the number of investigations initiated by Argentina (from 8 to 21), Canada (from 4 to 19) and Turkey (from 8 to 19).

Table 3.6 Initiations of anti-dumping investigations

G20 member	July-Dec 2015	Jan-June 2016	July-Dec 2016	Jan-June 2017	July 2015 – June 2016	July 2016 – June 2017
Argentina	2	6	17	4	8	21
Australia	7	11	6	12	18	18
Brazil	11	4	7	5	15	12
Canada	1	3	11	8	4	19
China	8	2	3	9	10	12
European Union	7	5	9	3	12	12
India	18	48	21	34	66	55
Indonesia	2	0	7	0	2	7
Japan	0	0	1	2	0	3
Korea, Republic of	3		4	3	3	7
Mexico	4	1	5	1	5	6

[15] This Section is without prejudice to the right of Members to take trade-remedy actions under the WTO.
[16] These periods coincide with the Member's semi-annual reporting periods.
[17] Anti-dumping and countervailing investigations are counted on the basis of the number of exporting countries or customs territories affected by an investigation. Thus, one anti-dumping or countervailing investigation involving imports from *n* countries/customs territories is counted as *n* investigations.

G20 member	July-Dec 2015	Jan-June 2016	July-Dec 2016	Jan-June 2017	July 2015 – June 2016	July 2016 – June 2017
Russian Federation[a]	0	0	1	1	0	2
Saudi Arabia, Kingdom of[b]	1	0	0	1	1	1
Turkey	4	4	13	6	8	19
United States	27	24	13	34	51	47
Total	**95**	**108**	**118**	**123**	**203**	**241**

a Notified by the Russian Federation; investigations are initiated by the Eurasian Economic Union on behalf of all of its members collectively.
b Notified individually by the Kingdom of Saudi Arabia; investigations are initiated by the Cooperation Council for the Arab States of the Gulf on behalf of all of its members collectively.

Source: WTO Secretariat.

3.23. In terms of product breakdown, metal products accounted for the largest share of initiations over the entire reporting period, except for the last six-month period (Chart 3.3). This sector accounted for 49 initiations in the second half of 2015 and 41 initiations in the first half of 2016. This number increased again to 53 initiations in the second half of 2016 and decreased to 41 again in the first half of 2017. Steel products (goods classified under HS chapters 72 and 73) accounted for the vast majority of these investigations during July 2015 – June 2016 (170 out of 184) – 92%. In many instances, a single importing Member initiated investigations on the same steel product from a number of different sources simultaneously – 10 steel products account for 102 of the investigations over these periods. China continues to be the most frequent subject of investigations on metal products with 30 investigations during July 2016 – June 2017, followed by the Republic of Korea and Viet Nam with eight investigations each and India with seven. The United States initiated 26 investigations in this sector during July 2016 – June 2017, followed by Australia with 16 and Canada with 12.

3.24. Chemical products accounted for the second-largest share of anti-dumping initiations overall over the four reporting periods. However, in the most recent period, chemicals accounted for more anti-dumping initiations than metals. The number of initiations concerning chemical products significantly increased from 31 during July 2015 – June 2016 to 70 during July 2016 – June 2017. India was the principal driver behind these initiations, accounting for almost half of the 101 new investigations of products in this sector over the 24 months examined. China was the most frequent subject of initiations of investigations in this sector during July 2016 – June 2017 (12 out of 77), with the remainder targeting a wide range of exporting countries or customs territories.

3.25. Plastics and rubber ranked third over the reporting periods, accounting for 9% of all initiations during July 2015 – June 2016 and 10% during July 2016 – June 2017. India accounted for 10 of the 41 new initiations in this sector over the 24 months. Textiles, which accounted for 8% of all initiations during the entire reporting period, ranked fourth. In addition, in the most recent period textiles accounted for 14% of anti-dumping initiations.

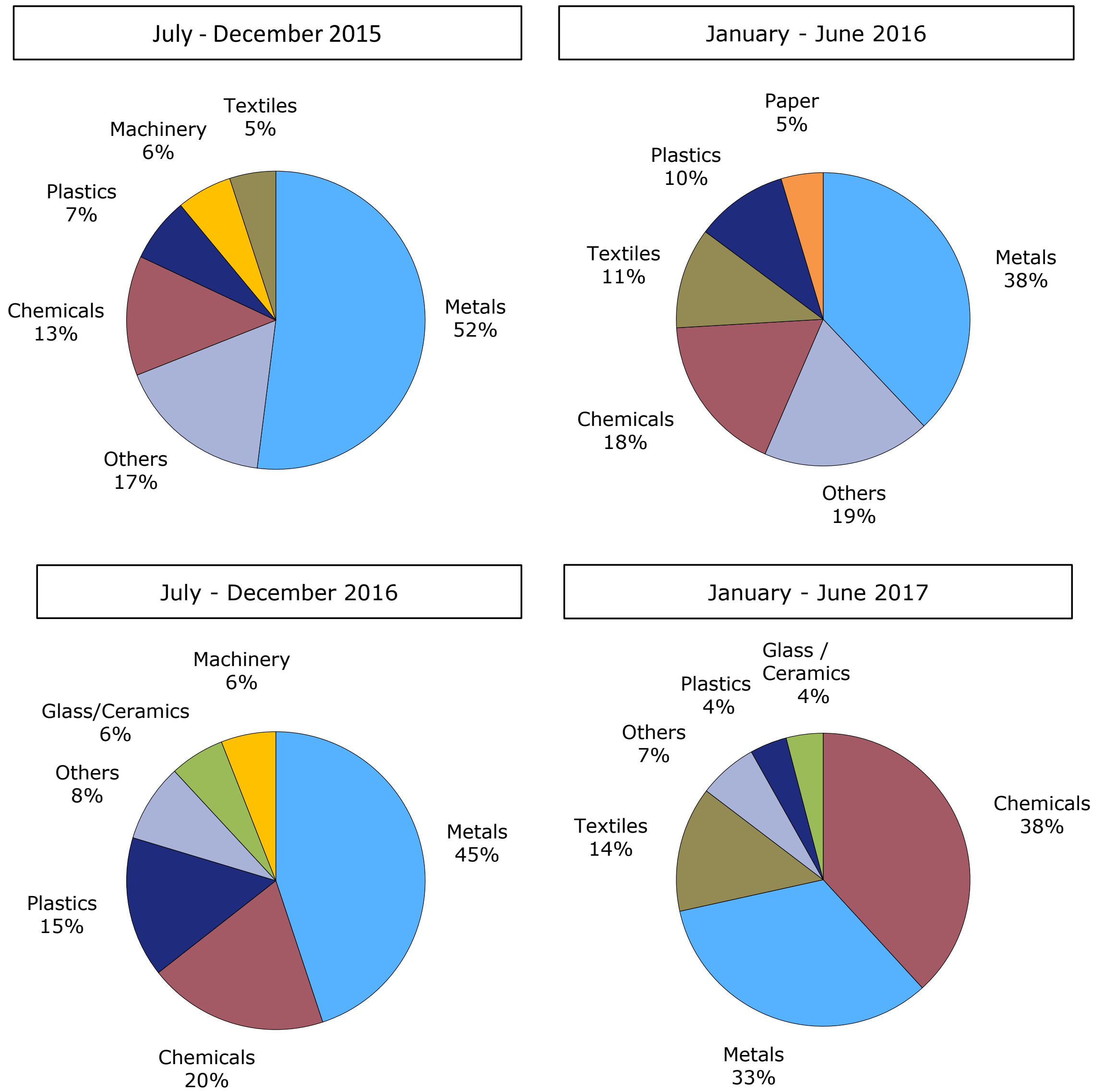
3.26. While anti-dumping investigations do not necessarily lead to the imposition of measures, a rise in the number of investigations initiated is an early indicator suggesting a likely rise in the number of measures imposed. Over the 24 months covered in this Section, a total of 305 anti-dumping measures were imposed by G20 members (Table 3.7). However, as it can take up to 18 months for an anti-dumping investigation to be concluded once initiated, these measures may not necessarily be the result of initiations in the same period.

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

G20 member	July-Dec 2015	Jan-June 2016	July-Dec 2016	Jan-June 2017	July 2015 - June 2016	July 2016 - June 2017
Argentina	4	0	1	1	4	2
Australia	5	3	2	9	8	11
Brazil	4	5	8	6	9	14
Canada	1	1	2	10	2	12
China	5	3	8	2	8	10
European Union	9	1	4	7	10	11
India	11	27	10	31	38	41
Indonesia	3	0	0	0	3	0
Japan	0	0	2	0	0	2
Korea, Republic of	3	1	2	0	4	2
Mexico	7	7	5	2	14	7
Russian Federation	3	3	1	0	6	1
Saudi Arabia, Kingdom of	0	0	0	1	0	1
South Africa	2	0	0	0	2	0
Turkey	4	4	5	2	8	7
United States	10	9	26	23	19	49
Total	**71**	**64**	**76**	**94**	**135**	**170**

Source: WTO Secretariat.

Chart 3.3 Anti-dumping duty initiations by product



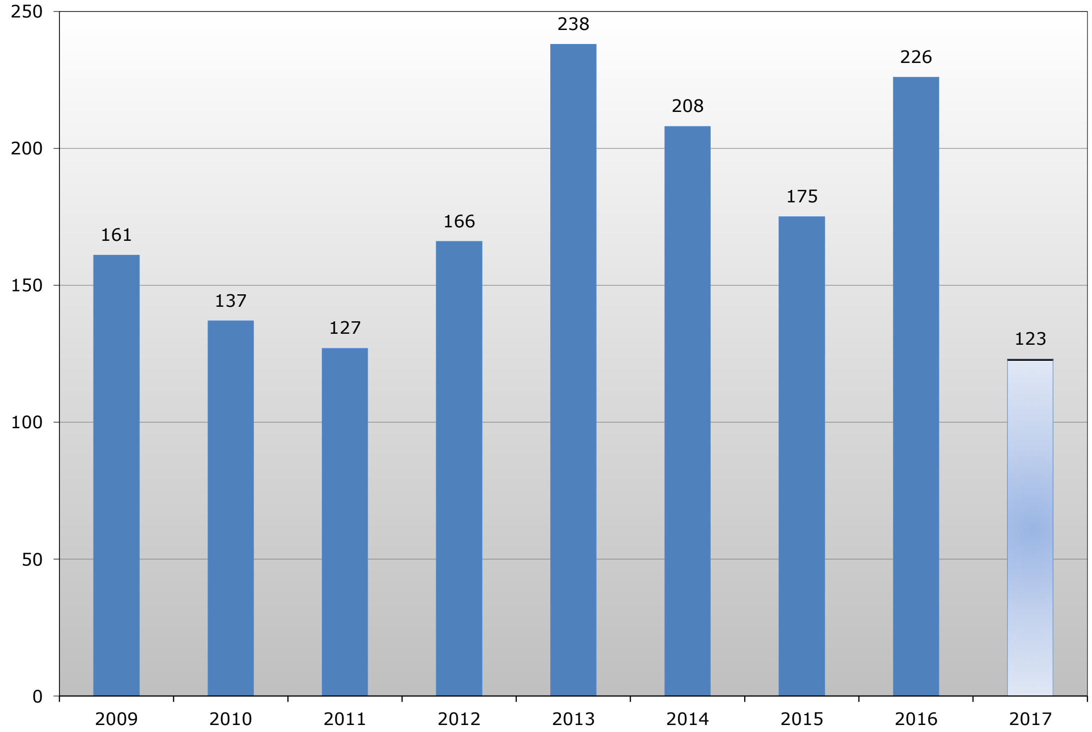
Note: Values are rounded.

Source: WTO Secretariat.

3.27. Since the first monitoring report was circulated in September 2009, anti-dumping activities of G20 members initially declined through 2011, then rebounded, peaking in 2013, with 238 new investigations initiated (Chart 3.4).[18] Following a downward trend in 2014 and 2015, the number of initiations increased again in 2016, reaching 226. For the first half of 2017, the number of new investigations was 123. This figure may suggest an increase for the full year of 2017.

[18] While 2013 shows an important increase in activity, the number of initiations is still significantly lower than the peaks of activity seen in 1999-2002.

Chart 3.4 Anti-dumping investigations by G20 members, 2009–2017[a]



a Data for 2017 cover January to June.

Source: WTO Secretariat.

Countervailing Measures

3.28. As shown in Table 3.8, the countervailing activities of G20 members increased in the most recent period (January – June 2017) compared with the three preceding six-month periods. However, over the two most recent 12-month periods, G20 countervailing activity has been fairly stable.

Table 3.8 Initiations of countervailing duty investigations

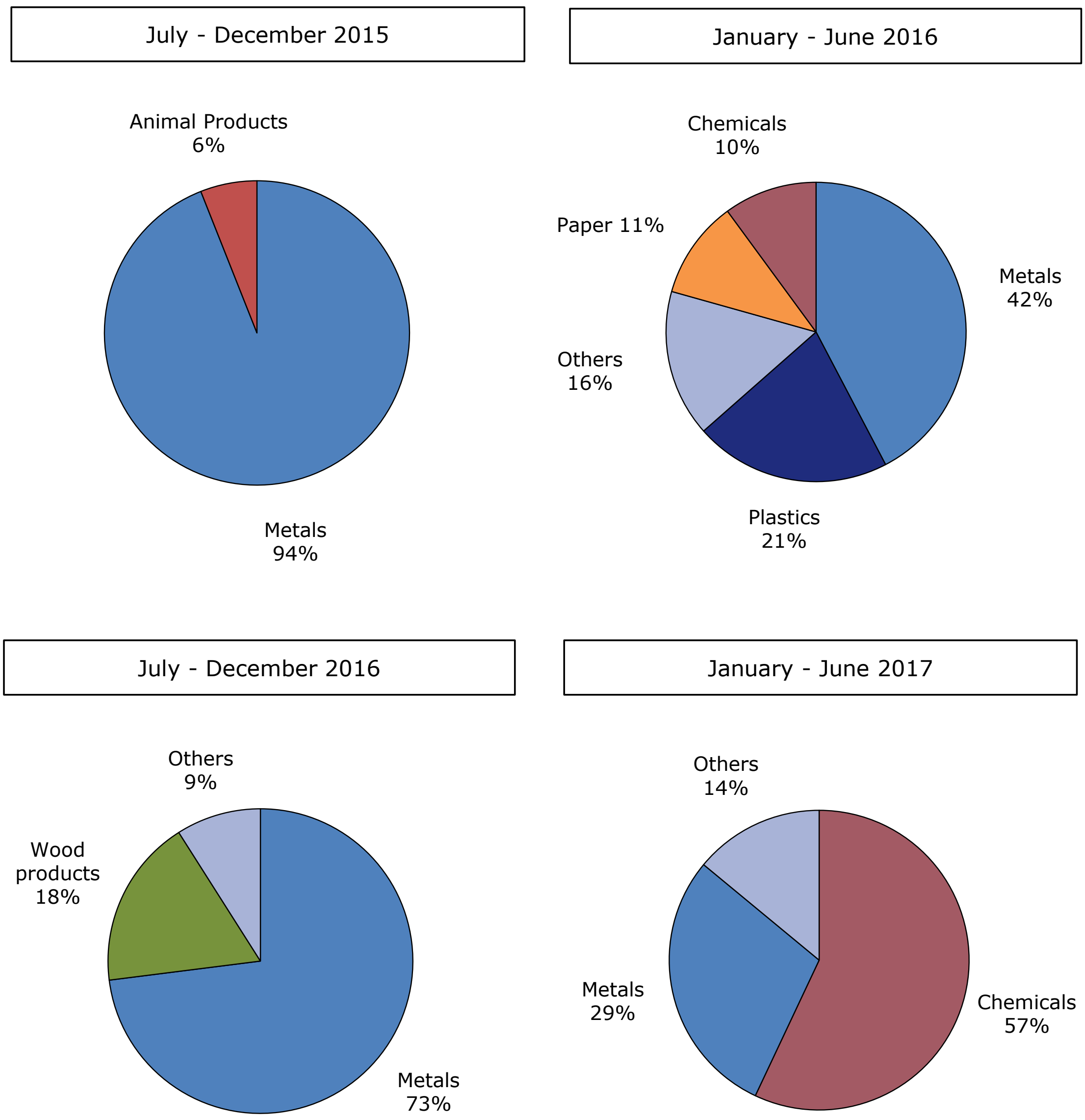
G20 member	July - December 2015	January - June 2016	July - December 2016	January - June 2017	July 2015 - June 2016	July 2016 - June 2017
Australia	2	3	5	0	5	5
Brazil	0	0	1	0	0	1
Canada	1	1	1	5	2	6
China	0	1	0	1	1	1
European Union	1	1	0	0	2	0
India	0	1	0	0	1	0
United States	12	12	4	15	24	19
Total	**16**	**19**	**11**	**21**	**35**	**32**

Source: WTO Secretariat.

3.29. Various sectors were affected by countervailing investigations over the four periods, with metal products remaining the most targeted, accounting for 37 of the 67 initiations by G20 members over the 24-months examined (Chart 3.5). Thirty-three of these investigations involving the metals sector were in relation to steel products. Almost all of the investigations involving the metal sectors were conducted concurrently with an anti-dumping investigation on the same product.

3.30. The chemical and plastic sectors accounted for the second- and third-largest number of initiations, respectively. The remaining investigations covered a range of goods including paper, textiles, foodstuffs, live animals and wood products.

Chart 3.5 Countervailing duty initiations by product



Note: Values are rounded.

Source: WTO Secretariat.

3.31. Over the 24 months covered in this Section, a total of 44 countervailing measures were imposed by G20 members (Table 3.9). However, as it can take up to 18 months for a countervailing investigation to be concluded once initiated, these measures may not necessarily be the result of initiations in the same period.

Table 3.9 Number of countervailing measures imposed by G20 members

G20 member	July-Dec 2015	Jan-June 2016	July-Dec 2016	Jan-June 2017	July 2015 - June 2016	July 2016 - June 2017
Australia	0	0	1	2	0	3
Brazil	0	1	0	0	1	0
Canada	1	1	1	1	2	2
China	0	0	0	1	0	1
European Union	0	1	0	1	1	1
India	0	1	0	0	1	0
United States	7	4	12	9	11	21
Total	**8**	**8**	**14**	**14**	**16**	**28**

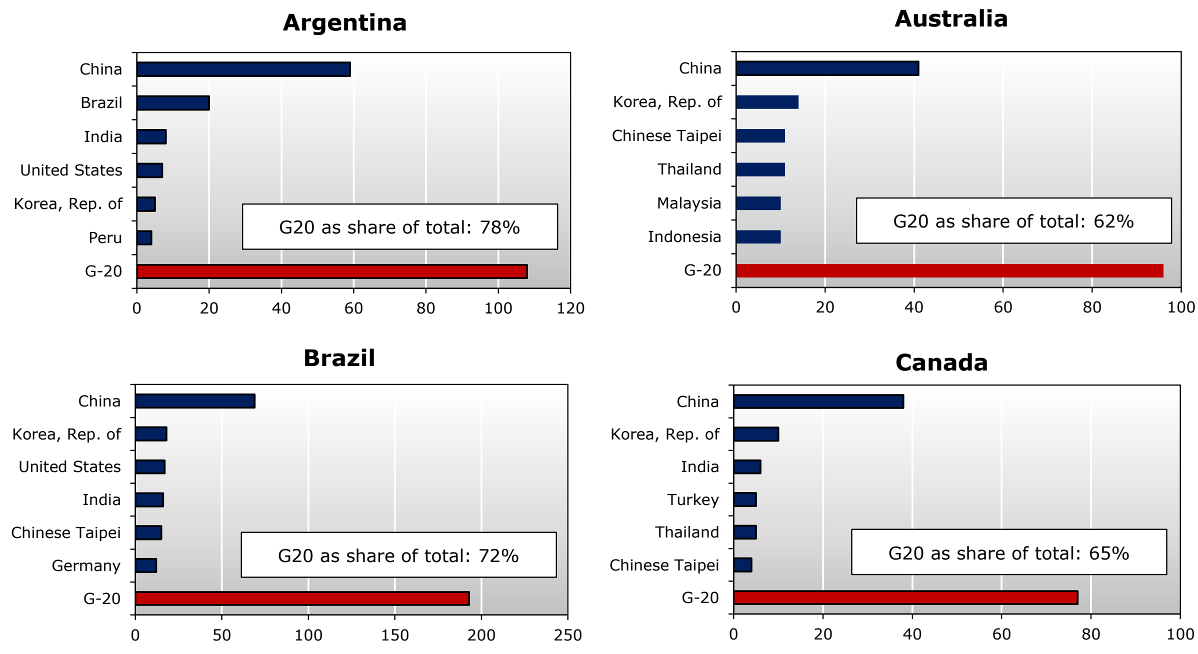
Source: WTO Secretariat.

Anti-dumping and Countervailing Measures by Trading Partner

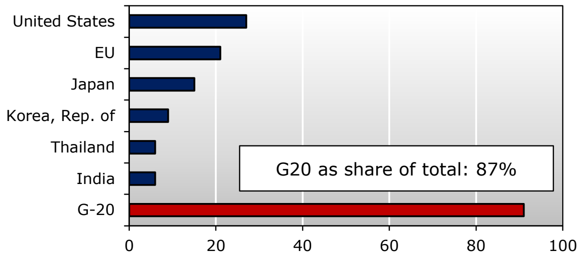
3.32. Chart 3.6 shows the top six trading partners affected by trade remedy initiations (excluding safeguards) reported by G20 members between 2008 and 2017 (January – June 2017). China remained, by far, the exporter most affected by initiations reported during this period, accounting for one-third of reported initiations. The second most affected exporter during this period, the Republic of Korea, accounted for 7% of total initiations. The share of G20 initiations involving products from other G20 members accounted for approximately 71% of total initiations. In all reporting periods, initiations on products from other G20 members accounted for at least 50% of each individual G20 member's total initiations.

Chart 3.6 Anti-dumping and countervailing initiations, by trading partner, 2008-2017[a]

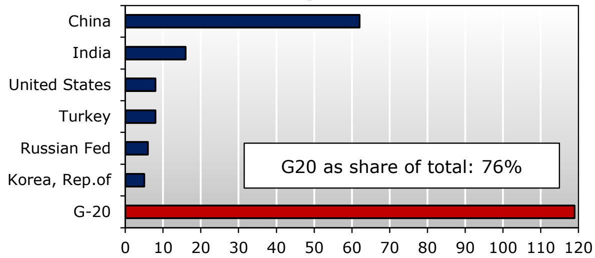
(Number of initiations)



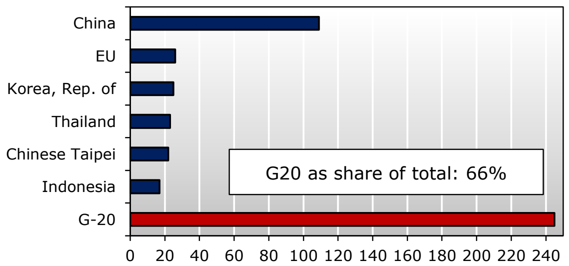
China



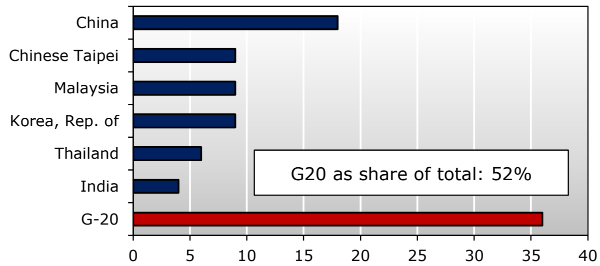
European Union



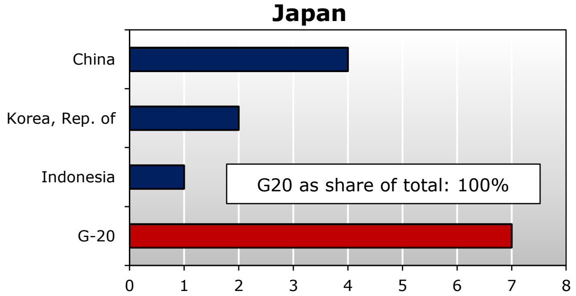
India



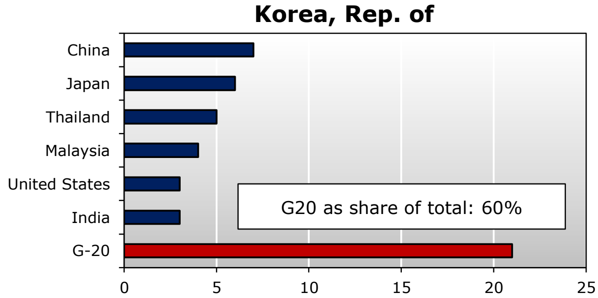
Indonesia



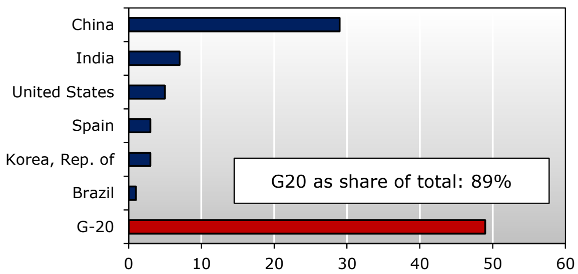
Japan



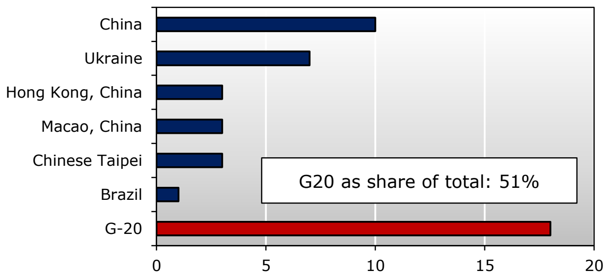
Korea, Rep. of



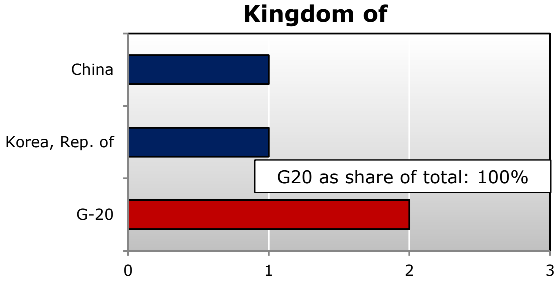
Mexico



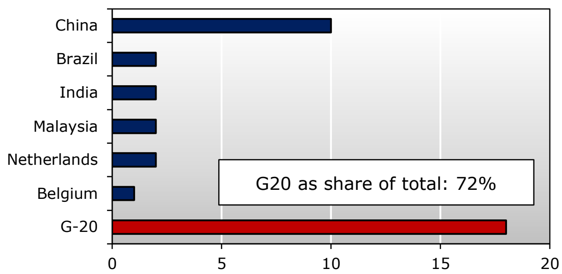
Russian Federation

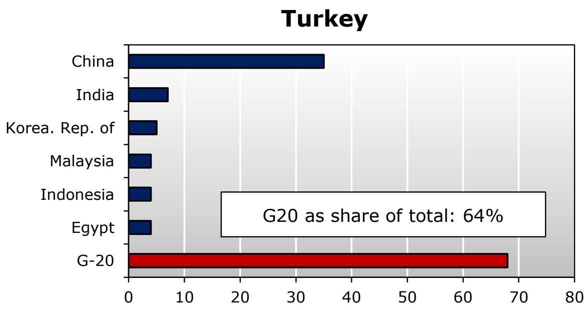


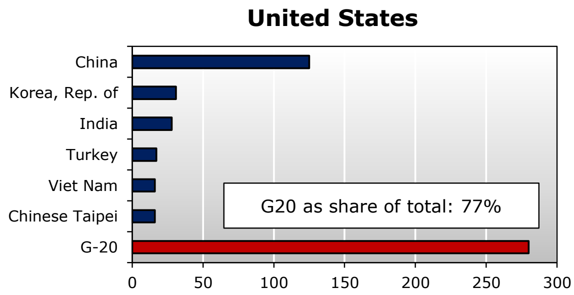
Saudi Arabia, Kingdom of



South Africa







a January-June 2017.

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

Source: WTO Secretariat.

Sunset Reviews

3.33. The following paragraphs examine the effect the global financial crisis may have had on anti-dumping (AD) and countervailing actions (CVD), by analysing the extent to which measures imposed following the financial crisis have been extended or have expired (or have been otherwise terminated), possibly suggesting that the financial crisis played a role regarding the imposition of the measure. This Section, therefore, examines measures imposed as a result of investigations initiated in 2008, before the financial crisis, as well as in 2009 and 2010, when the full effects of the financial crisis were being felt.[19]

3.34. The relevant WTO agreements stipulate that AD and CVD measures can remain in force only for as long as necessary to counteract injury caused by dumped or subsidized imports, and must expire no later than five years after their imposition unless it is determined, through a review, that the removal of a measure would likely lead to a continuation or recurrence of dumping or subsidization and injury. In such a case, the measure can be extended for up to five more years. This review process is often referred to as a sunset review. Investigating authorities generally invite applications for a sunset review before a measure expires and, in the absence of a review, they allow the measure to lapse.

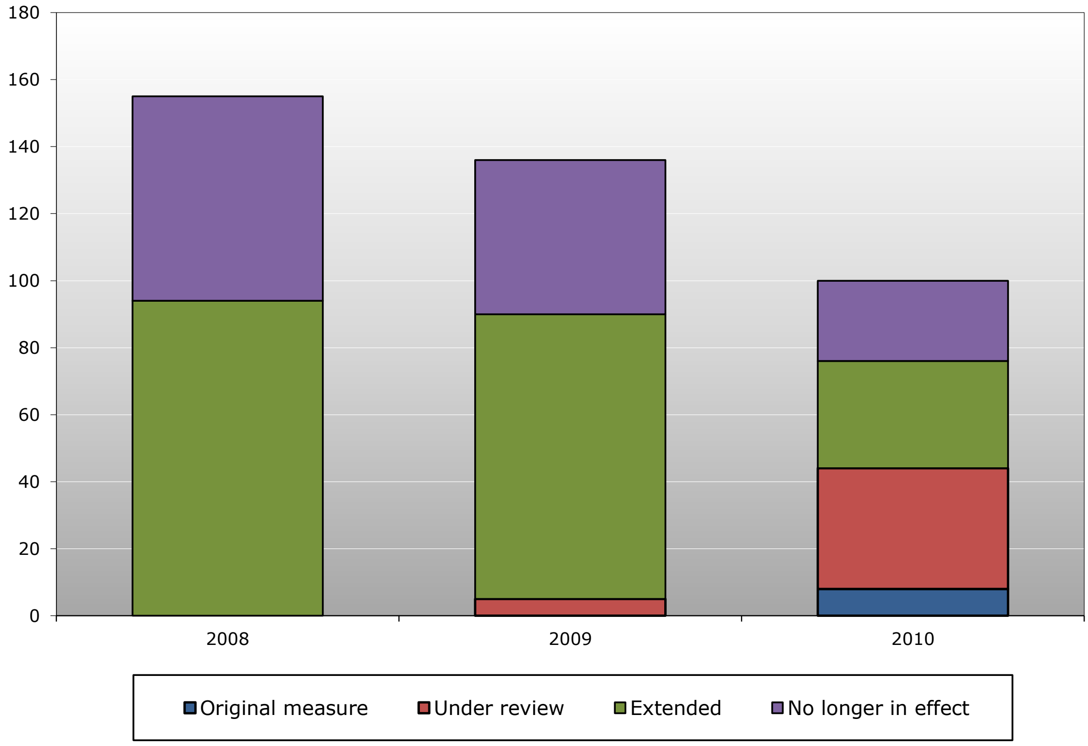
3.35. As of 30 June 2017, measures imposed as a result of investigations initiated in 2008-2010 are in various stages of their lifecycle. Some measures are still within the initial five-year imposition period, some are under review[20], some have been extended, and some have expired.

3.36. Chart 3.7 shows the status of AD and CVD measures resulting from investigations initiated in 2008, 2009 and 2010 by G20 members, as at 30 June 2017.

[19] Given the application requirements for AD and CVD investigations, it is assumed that investigations in response to the financial crisis would not have been initiated before January 2009.

[20] A sunset review must be initiated prior to the expiration date of the measure, but the measure may remain in force after this date pending the outcome of the review.

Chart 3.7 Status of measures resulting from AD and CVD investigations initiated in 2008, 2009 and 2010



Source: WTO Secretariat.

3.37. All of the 155 and 136 measures resulting from investigations initiated in 2008 and 2009 by G20 members have now been subject to expiry action (either a sunset review or termination). Ten of the 100 measures resulting from investigations initiated in 2010 have not yet been subject to any expiry action.

3.38. Table 3.10 shows the proportion of measures that were due to expire for which a sunset review has been conducted, (measures not reviewed will automatically expire). For measures resulting from investigations initiated in 2009, 72% were reviewed, slightly higher than the 67% found for 2008. Thus, a broadly similar proportion of the 2008 measures (investigations started before the financial crisis) and 2009 measures (investigations started after the financial crisis had begun) expired without review. It is too early to draw conclusions in relation to the measures based on investigations initiated in 2010.

Table 3.10 Proportion of expiring measures that were subject to a sunset review for G20 members (based on the year the investigation was initiated)

Expiring measures	Investigations initiated in		
	2008	2009	2010[a]
Not reviewed	33%	28%	22%
Reviewed	67%	72%	78%

a Only 72 measures resulting from investigations initiated in 2010 have so far expired or been subject to review.

Source: WTO Secretariat.

3.39. As at 30 June 2017, 104 sunset reviews had been completed for measures resulting from investigations initiated in 2008, 93 for 2009 and 36 for 2010, as shown in Table 3.11. The relevant Member found that the expiry of the measure would lead to a continuation or recurrence of dumping/subsidization and injury and extended the measures for 90% of all the measures imposed - showing no significant change after the financial crisis began. At this juncture, and based on the data currently available, there is no discernible change in extension versus expiry of measures coinciding with the financial crisis.

Table 3.11 Results from completed reviews (based on the year the investigation was initiated)

	Investigation initiated in		
	2008	**2009**	**2010**
Number of completed reviews	104	93	36
Measure extended	90%	91%	89%
Expiry of measure	10%	9%	11%

Source: WTO Secretariat.

Safeguard Measures

3.40. Unlike AD and CVD measures, safeguard (SG) measures are temporary measures imposed on products from all sources (i.e. all exporting countries), in response to increased imports of goods that are causing a serious injury.[21] Thus, SGs 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.

3.41. Tables 3.12 and 3.13 show the SG initiations and impositions by G20 members on a July-December and January-June cycle.

Table 3.12 SG initiations by G20 members

G20 member	July-Dec 2015	Jan-June 2016	July-Dec 2016	Jan-June 2017	July 2015 - June 2016	July 2016 - June 2017
China	0	0	1	0	0	1
India	2	1	0	0	3	0
Indonesia	1	0	0	0	1	0
Saudi Arabia, Kingdom of[a]	0	1	1	0	1	1
South Africa[b]	0	1	1	0	1	1
Turkey	0	0	0	2	0	2
United States	0	0	0	2	0	2
Total	**3**	**3**	**3**	**4**	**6**	**7**

a Notified by the Kingdom of Saudi Arabia; investigations are initiated by the Cooperation Council for the Arab States of the Gulf on behalf of all of its members collectively.
b Notified by South Africa; investigations are initiated by the Southern African Customs Union on behalf of all of its members collectively.

Source: WTO Secretariat.

Table 3.13 SG impositions by G20 members

G20 member	July-Dec 2015	Jan-June 2016	July-Dec 2016	Jan-June 2017	July 2015 - June 2016	July 2016 - June 2017
China	0	0	0	1	0	1
India	0	1	1	0	1	1
Indonesia	2	0	0	0	2	0
Saudi Arabia, Kingdom of [a]	0	0	0	1	0	1
Total	**2**	**1**	**1**	**2**	**3**	**3**

a Notified by the Kingdom of Saudi Arabia; investigations are initiated by the Cooperation Council for the Arab States of the Gulf on behalf of all of its members collectively.

Source: WTO Secretariat.

[21] With exception of special and differential treatment provided for certain developing counties in Article 9.1 of the Safeguards Agreement.

3.42. These short term trends should be seen against the backdrop of a longer trend where initiations have fallen from their recent high of 13 in 2014, and impositions have fallen from their recent high of 9 in 2014 (Tables 3.14 and 3.15).

Table 3.14 Total G20 initiations 2010-2016

	2010	2011	2012	2013	2014	2015	2016
Total G20 initiations	10	7	13	7	13	4	6

Source: WTO Secretariat.

Table 3.15 Total G20 impositions 2010-2016

	2010	2011	2012	2013	2014	2015	2016
Total G20 impositions	0	9	4	2	9	4	2

Source: WTO Secretariat.

3.43. It is noteworthy that both the United States and China have initiated SG investigations recently, something neither has done since 2001 (United States) and 2002 (China).

3.3 Sanitary and Phytosanitary Measures (SPS)[22]

3.44. Under the SPS Agreement, WTO Members are obliged to provide an advance notice of intention to introduce new or modified SPS measures[23], or to notify immediately when emergency measures are imposed. The main objective of complying with the SPS notification obligations is to inform other Members about new or changed regulations that may significantly affect trade. Therefore, an increased number of notifications does not automatically imply greater use of unnecessarily trade-restrictive measures, but rather enhanced transparency regarding these measures.

3.45. G20 economies rank among the main "notifiers" of SPS measures, accounting for 68% of total regular notifications (including addenda), and 33% of emergency notifications, submitted to the WTO from 1 January 2000 to 30 September 2017.

3.46. For the period 1 May to 30 September 2017[24], Brazil, Canada and the United States submitted the most notifications to the WTO, accounting for 46% of notifications submitted by G20 economies in that period.

3.47. Many G20 economies are following the recommendation to notify SPS measures, even when these are based on a relevant international standard, thus substantially increasing the transparency regarding SPS measures. Of the 243 regular notifications (excluding addenda) made by G20 economies from 1 May to 30 September 2017, 28% indicated that an international standard, guideline or recommendation was relevant to the notified measure (out of which, 63% had referred to Codex, 24% to IPPC, and 13% to OIE). Furthermore, the notification formats include an entry asking whether the notified regulation conforms to the relevant international standard. Of the notifications that have identified a relevant international standard, 79% indicated

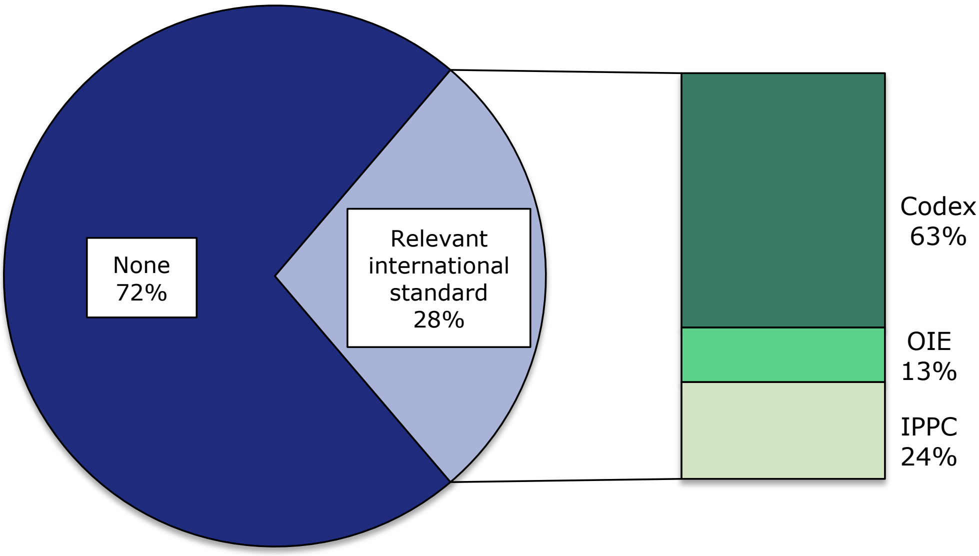
[22] Information presented in this Section has been retrieved from the SPS Information Management System (SPS IMS: http://spsims.wto.org). This Section is based on notifications to the WTO for the period 1 May 2017 to 30 September 2017, and builds on the previous G20 Report (30 June 2017), which covered notifications up until end-April 2017. Specific trade concerns (STCs) are only raised at SPS Committee meetings. The information in this Section summarizes the STCs raised at the 13–14 July 2017 SPS Committee meeting.

[23] Transparency obligations are contained in Article 7 and Annex B of the SPS Agreement. Annex B requires that Members notify measures whose content is not substantially the same as that of an international standard, guideline or recommendation, and when the measure may have a significant effect on trade. However, the Recommended Procedures for Implementing the Transparency Provisions of the SPS Agreement, adopted by the SPS Committee in 2008 (G/SPS/7/Rev.3), recommend that Members also notify measures which are based on the relevant international standards, and provide a broad interpretation of the effects on trade.

[24] For the SPS Section, the review period covers 1 May 2017 to 30 September 2017.

that the measure was in conformity with, or substantially the same as, the existing international standard, guideline or recommendation. It may be worth noting that the remaining 21% of notifications, which did not indicate that the measure was in conformity with the existing international standard, had identified Codex as the relevant international standard-setting body. Regarding emergency notifications for the same period, all but one of the emergency measures notified by G20 members were indicated as being in conformity with a relevant international standard, guideline or recommendation.

Chart 3.8 Regular SPS notifications and international standards



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

Source: WTO Secretariat.

3.48. The objective most frequently identified in the SPS measures notified by G20 economies during the reviewed period was food safety, accounting for 72% of notifications.[25] Food safety is a particularly important objective in the G20 members' notifications, as the vast majority of notified measures are related to Maximum Residue Limits (MRLs) and pesticides, and in many notifications both keywords were identified.

3.49. Measures maintained by G20 economies are often discussed in the SPS Committee. Moreover, the top ten Members in terms of complaints about measures they maintain are all G20 members. The specific trade concerns (STCs) raised in the SPS Committee on measures maintained by G20 economies account for 73% of all STCs raised to date.

3.50. A total of 16 out of 18 STCs were raised or discussed in relation to measures maintained by G20 members in the SPS Committee meeting of July 2017. Five were raised for the first time, and 11 had been discussed in previous Committee meetings.

3.51. The new STCs raised at the July 2017 SPS Committee meeting regarding measures applied by G20 economies relate to:

- Brazil's measures on bananas (raised by Ecuador);

[25] The objective of an SPS measure falls under one or more of the following categories: (i) food safety, (ii) animal health, (iii) plant protection, (iv) protect humans from animal/plant pest or disease, and (v) protect territory from other damages from pests. Members are required to identify the purpose of the measure in their notifications. It is not uncommon for more than one objective to be identified for a measure.

- The Gulf Cooperation Council's (GCC) Guide for Control of Imported Foods (raised by the United States);

- The Kingdom of Saudi Arabia's measures on shrimp (raised by Ecuador);

- The Russian Federation's import restrictions on wine (raised by Montenegro); and

- India's fumigation requirements for cashew nuts (raised by Senegal).[26]

3.52. Of the 11 previously raised STCs regarding measures applied by G20 members and discussed in the July 2017 SPS Committee meeting, six address persistent problems that have been discussed at least five times:

- General import restrictions due to Bovine Spongiform Encephalopathy (BSE) applied by certain Members, including several G20 economies. This STC (No. 193) was initially raised by the European Union in June 2004 and subsequently by the United States in February 2007. It has been subsequently discussed 30 times in the Committee, gathering the support of three other Members;

- European Union revised proposal for categorization of compounds as endocrine disruptors (raised by Argentina, China and the United States). This STC (No. 382) has been subsequently discussed eight times in the Committee and has gathered the support of 39 Members;

- The Russian Federation's import restrictions on processed fishery products from Estonia and Latvia (raised by the European Union, July 2015). This STC (No. 390) has been subsequently discussed six times in the Committee;

- China's import restrictions due to African swine fever (raised by the European Union, July 2015). This STC (No. 392) has been subsequently discussed six times in the Committee;

- the Republic of Korea's import restrictions due to African swine fever (raised by the European Union, July 2015). This STC (No. 393) has been subsequently discussed six times in the Committee; and

- Brazil's measures on shrimp (raised by Ecuador, October 2012). This STC (No. 344) has been subsequently discussed five times in the Committee.

3.53. During the reviewed period, six out of the 16 STCs raised due to measures implemented by G20 members concerned measures covering food safety, six concerned animal health, two related to plant health and another two related to other types of concerns (i.e. control, inspection and approval procedures).

Box 3.3 Enhancing monitoring and transparency in SPS and TBT

Accessing relevant information on SPS or TBT product requirements in export markets can be a huge challenge, especially for SMEs. The WTO helps tackle this potential trade barrier through a combination of transparency requirements included in the SPS and TBT agreements and online tools that make information easily accessible: the SPS and TBT Information Management Systems (SPS/TBT IMSs) and ePing

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

Publicly available online tools help stakeholders find notifications of relevance to their trade:

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

[26] This STC gathered the support of five African Members.

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

Timely access to notifications is key given the 60-day period that normally should be provided for submitting comments on regulations, which are usually still in draft form. The ePing platform also facilitates dialogue among the public and private sectors in discussing and sharing information on notifications of concern, allowing stakeholders to address potential trade problems at an early stage of the regulatory lifecycle.

Source: WTO Secretariat.

3.4 Technical Barriers to Trade (TBT)[27]

3.54. The G20 economies are the most frequent users of the TBT Committee's transparency mechanisms. Together, they have submitted almost half of all TBT notifications since 1995.[28] Regulations maintained by G20 members also represent the vast majority (around 80%) of all measures discussed in the TBT Committee since 1995.

3.55. Under the TBT Agreement, WTO Members are required to notify their intention to introduce new or modified TBT measures, or to notify adopted emergency measures immediately upon their adoption. The main objective of complying with the TBT notification obligations is to inform other Members about new or changed regulations that may significantly affect trade.[29] Therefore, an increased number of notifications does not necessarily imply greater use of unnecessarily trade-restrictive measures. Rather, TBT notification obligations are meant to promote enhanced transparency regarding measures taken to address legitimate policy objectives, e.g. the protection of human, animal or plant life or health, or the environment.

3.56. WTO Members use the TBT Committee as a forum to discuss trade issues related to specific measures (technical regulations, standards or conformity assessment procedures) maintained by other WTO Members. These are referred to as STCs, and normally relate to proposed draft measures notified to the TBT Committee or to the implementation of existing measures. Issues raised range from simple requests for additional information and clarifications to questions on the consistency of measures with TBT Agreement disciplines. Since 1995, 421 out of 540 (78%) new STCs discussed in TBT Committee meetings concerned measures maintained by G20 economies. WTO Members' use of STCs has significantly increased, with around 60 STCs discussed per meeting in recent years. Depending on the extent of the trade-restrictiveness and the importance of the issue to those raising the STC, the same measure may come up at one or more meetings of the TBT Committee. For example, an STC may be discussed at only one meeting, as a *new* STC, and subsequently a resolution to the trade concern may be found. Alternatively, an STC may be discussed at subsequent meetings, as a previously raised STC. This is usually reserved for long-standing and more serious concerns.[30]

3.57. From 1 May to 30 September 2017, and in line with the previous period, G20 economies continued their strong commitment to implementing and reviewing TBT measures. In terms of transparency, G20 members submitted 231 regular notifications out of a total of 693 notifications

[27] For the TBT Section, "review period" covers 1 May to 30 September 2017.

[28] Since 1995, over 23,000 new (regular) notifications of TBT measures have been submitted by WTO Members, over 10,000 of which (45%) by G20 members. Overall, around 30,000 new (regular) and follow-up (revisions, addenda, etc.) notifications of TBT measures have been submitted by WTO Members since 1995, around 14,500 of which (48%) by G20 economies.

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

[30] For more information on previously raised STCs, see also *Twenty-Second Annual Review of the Implementation and Operation of the TBT Agreement*, G/TBT/39/Rev.1 (24 May 2017), Section 3.3 (in particular, paras. 3.18-3.19).

by all WTO Members. The top-five G20 members notifying the most new regulations were the European Union (35), Brazil (33), the Kingdom of Saudi Arabia (30), the United States (20) and Mexico (18). Regulations maintained by G20 members continued to represent the majority (85%) of all 56 measures discussed during the TBT Committee meeting that fell within the review period (June 2017), both as new STCs (10 out of 11) and as previously raised STCs (38 out of 45). Table 3.16 lists the new STCs discussed in the June 2017 TBT Committee meeting involving measures maintained by G20 members.[31]

Table 3.16 New STCs involving G20 economies' measures (raised at the June 2017 TBT Committee meeting)

New STCs involving G20 economies measures
China: concerning Cyberspace Administration of China – draft implementing measures for the Cybersecurity Review of Network Products and Services (ID 533) (*raised by Australia, Canada, the European Union, Japan and the United States)*;
China: concerning draft revised Encryption Law of the People's Republic of China by the Office of State Commercial Cryptography Administration (OSCCA) (ID 534) (*raised by Canada, the European Union, Japan and the United States)*;
China: concerning Limits and Measurement Methods for Emissions of Light-duty Vehicles (ID 536) (*raised by Japan*);
China: concerning Internet of Vehicles Cybersecurity Protection Guideline Rules (ID 537) (*raised by the United States)*;
China: concerning Civil Aviation Network Information Security Management Rules (ID 538) (*raised by Canada, the European Union and the United States*);
European Union: concerning Regulation (EC) No. 1107/2009 - non-renewal of approval of the active substance picoxystrobin (ID 535) (*raised by Argentina, Brazil and Canada)*;
European Union: concerning titanium dioxide: Regulation (EC) No 1272/2008 (CLP Regulation), Annex VI, part (ID 539) (*raised by the United States*);
Saudi Arabia, Kingdom of: concerning the Guide for Control of Imported Foods – Certification requirements for animal products (ID 540) (*raised by the European Union and the United States*);
United States: concerning Standards of Identity for Cheese (ID 542) (*raised by Canada*);
United States: concerning the Wisconsin butter laws (ID 543) (*raised by Canada*).

Source: WTO Secretariat.

3.58. In this Section, the participation of G20 economies in implementing and reviewing TBT measures will be analyzed over a one-year period to allow for deeper analysis and to better reflect important trends. For this purpose, the period from 1 October 2016 to 30 September 2017, the "current one-year period", is used.

3.59. During the current one-year period, G20 economies continued their strong commitment to implementing and reviewing TBT measures by submitting 617 new regular notifications (38%) out of a total of 1,608 notifications submitted by all WTO Members. This is broadly the same share of G20 notifications verified during the previous one-year period from 1 October 2015 to 30 September 2016.[32] The G20 members notifying the most new regulations during the current one-year period were the European Union (110), the United States (106), the Republic of Korea (57), Brazil (52), Mexico and the Kingdom of Saudi Arabia (48 each), and Canada and China (34 each).

3.60. Of the new G20 regular notifications received during the current one-year period, the main indicated objectives[33] were the protection of human health or safety, the protection of the environment, the prevention of deceptive practices/consumer protection and quality requirements. Even if slightly lower than the previous one-year period, the share of G20 notifications indicating the protection of human health or safety remained very high in the current one-year period. The share of current one-year period G20 notifications indicating the protection of the environment increased significantly compared to the previous one-year period. At the same time, the share of

[31] As also indicated in Table 3.16, all Members raising these 10 STCs were also G20 economies.

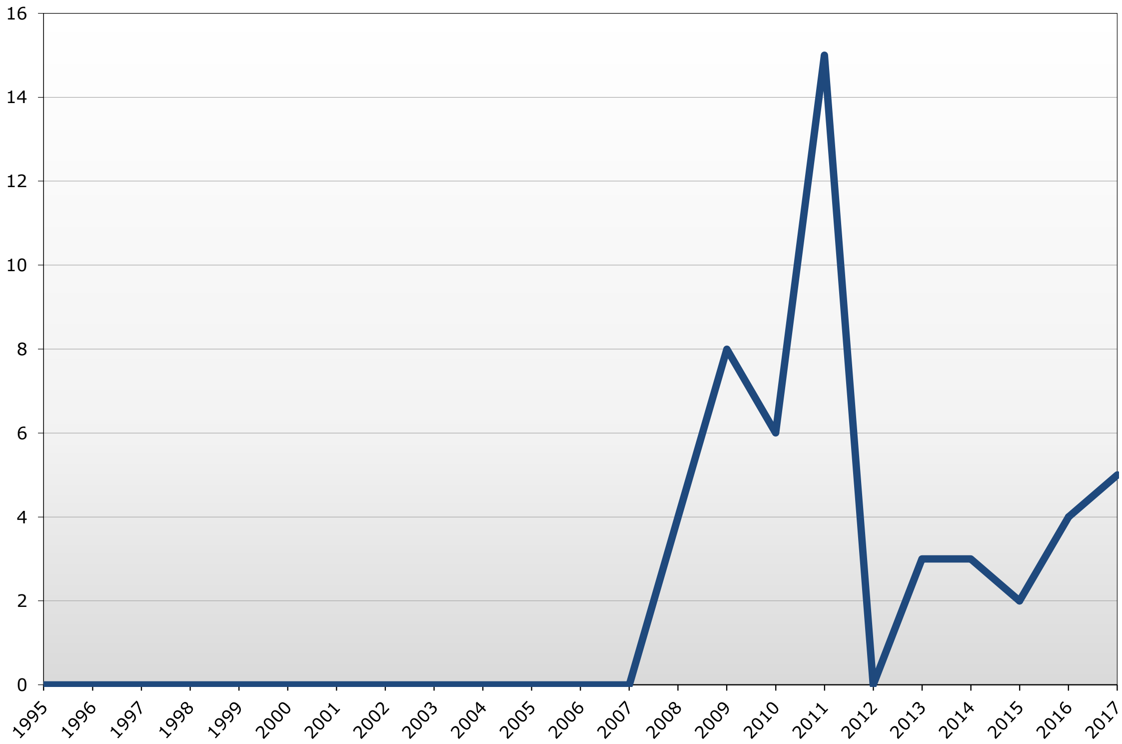
[32] A 41% share of G20 regular notifications (711 out of 1,738) submitted during the previous one-year period.

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

G20 notifications covering the prevention of deceptive practices/consumer protection fell. The share of those indicating quality requirements remained stable in both periods.

3.61. Additionally, during the current one-year period, G20 economies made up almost all TBT notifications indicating national security as their objective (4 out of a total of 5). Although "national security" in absolute terms does not feature among the most indicated objectives, as Chart 3.9 shows, since 2007, there has been a marked increase of notified measures indicating the national security objective. Overall, among the 50 regular notifications indicating national security as their objective, 30 (60%) were submitted by G20 economies.

Chart 3.9 Regular notifications indicating national security as their objective, 1995-2017



Source: WTO Secretariat.

3.62. In addition, in terms of follow-up notifications[34], G20 economies notified 437 (54%) out of a total of 804 follow-up notifications during the current one-year period, compared to 450 (69%) out of 651 during the previous one-year period. However, the large increase in WTO Members' follow-up notifications is a positive development, given the important role of follow-up notifications in helping increase transparency and predictability across the regulatory lifecycle.

3.63. Regulations maintained by G20 members have also continued to represent the majority of measures discussed in the three TBT Committee meetings of November 2016, March 2017 and June 2017, both as new STCs and previously raised STCs.

3.64. Twenty-five of the 30 new STCs raised during the current one-year period concerned measures by G20 members, namely the European Union or its member States[35] (7), China (7), the

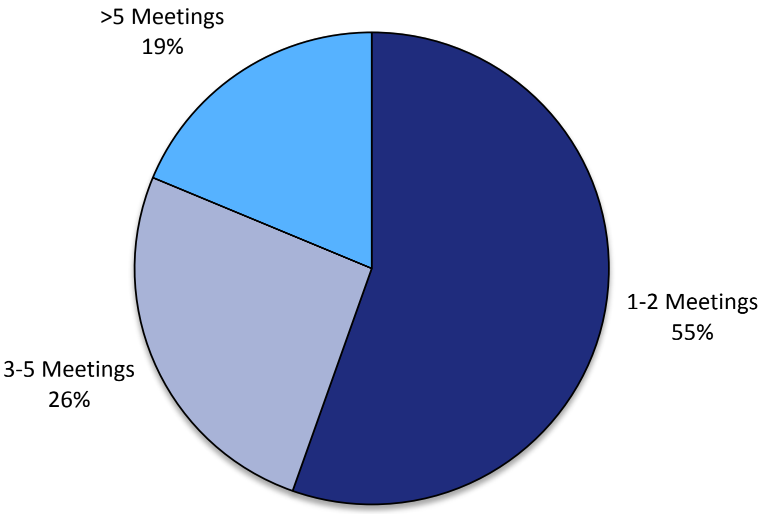
[34] Follow-up notifications are called "addenda", "corrigenda", or "supplements". They can also be in the form of "revisions" when the original measure has been substantially re-drafted prior to adoption or entry into force. A revision replaces the original notification. They are linked to the original notification of a new regulation and include additional pertinent information, such as updated deadlines for entry into force, access to the final adopted text, withdrawal or cancellation, unofficial translations or other updates with respect to notified regulations. See document G/TBT/35 for further information on different types of TBT notifications.

[35] Five STCs concerning EU-wide measures and two involving EU member States' measures (one from Ireland and one from Italy).

Russian Federation (3)[36], the United States and the Republic of Korea (2 each), and Brazil, India, Mexico and the Kingdom of Saudi Arabia[37] (1 each). These new STCs concerned measures regulating a wide range of products, including alcoholic beverages, ICT products (including "e-waste" and issues related to cybersecurity), agricultural and food products, pharmaceuticals and medical equipment, vehicles and chemicals.

3.65. Out of the 140 previously raised STCs discussed during the current one-year period, 110 concerned G20 measures, namely the European Union (24)[38], China (30), India (16), the Russian Federation (15), Indonesia (8), Brazil (7), the Republic of Korea (7) and the Kingdom of Saudi Arabia (3). While the majority of all STCs (55%) have been raised at one or two Committee meetings, about 26% were raised three to five times, and 19% more than five times (Chart 3.10). The share of "persistent" STCs, i.e. those raised more than five times, increased in 2016 compared to 2015.[39]

Chart 3.10 Number of times an STC is raised in the TBT Committee, 1995-2016



Source: WTO Secretariat. Twenty-Second Annual Review of the Implementation and Operation of the TBT Agreement, G/TBT/39/Rev.1 (24 May 2017).

3.66. During the current one-year period, six of the top ten "persistent" STCs were discussed. All of these concerned G20 measures. Table 3.17 provides the "persistent" STCs discussed during the current one-year period, and the total number of times that they have been discussed in the TBT Committee.

Table 3.17 "Persistent" STCs raised between 1 October 2016 and 30 September 2017

"Persistent" STCs
European Union: Regulation on the Registration, Evaluation and Authorization of Chemicals (REACH) (ID 88) - *raised 37 times since 2003*
India: Pneumatic tyres and tubes for automotive vehicles (ID 133) - *raised 32 times since 2006*
India: New Telecommunications-related Rules (Department of Telecommunications, No. 842-725/2005-VAS/Vol. III (3 December 2009); No. 10-15/2009-AS-III/193 (18 March 2010); and Nos. 10-15/2009-AS.III/Vol. II/(Pt.)/(25-29) (28 July 2010); Department of Telecommunications, No. 10-15/2009-AS.III/Vol. II/(Pt.)/(30) (28 July 2010) and accompanying template, "Security and Business Continuity Agreement") (ID 274) - *raised 20 times since 2010*

[36] Including the single STC with respect to measures taken by the Russian Federation, Kazakhstan, and the Kyrgyz Republic.
[37] Jointly with other GCC-GSO members ("Gulf Cooperation Council (GCC) Standardization Organization (GSO))".
[38] Including measures from Ireland and Italy.
[39] See also Twenty-Second Annual Review of the Implementation and Operation of the TBT Agreement, G/TBT/39/Rev.1 (24 May 2017), para. 3.30.

"Persistent" STCs
China: Provisions for the Administration of Cosmetics Application Acceptance (ID 296) - *raised 20 times since 2011*
China: Requirements for information security products, including, *inter alia*, the Office of State Commercial Cryptography Administration (OSCCA) 1999 Regulation on commercial encryption products and its on-going revision and the Multi-Level Protection Scheme (MLPS) (ID 294) - *raised 19 times since 2011*
Korea, Republic of: Regulation on Registration and Evaluation of Chemical Material (ID 305) - *raised 16 times since 2011*

Source: WTO Secretariat.

3.67. Among previously raised STCs involving measures implemented by G20 economies, regulations in the area of food and food products have featured prominently during discussions in the TBT Committee. Box 3.4 takes a closer look at the nature of these regulations.

Box 3.4 Trade and Food Standards

The annual value of trade in agricultural products has grown almost three-fold over the past decade, largely in emerging economies and developing countries, reaching US$1.7 trillion. However, in order to trade internationally and access markets for high-value products, producers must be able to meet food standards, which set out requirements for food safety, quality and labelling requirements, amongst others. If every government applies different food standards, trade is more costly, and it is more difficult to ensure that food is safe and meets consumers' expectations.

The use of common international food standards worldwide not only contributes to public health, but also helps reduce trade costs by making trade more transparent and efficient, allowing food to move more smoothly between markets. The WTO SPS and TBT Agreements strongly encourage WTO Members to use international standards, guidelines and recommendations as the basis of their measures. Through the joint FAO/WHO Codex Alimentarius Commission, governments establish science-based food standards. The SPS Agreement recognizes Codex as the international standard-setting body in the area of food safety; with respect to the TBT Agreement, over the past ten years, Members are more frequently drawing on Codex standards as the basis for food-related TBT measures, in particular measures addressing food labelling or quality. By reducing the need for producers to comply with different standards in different markets, harmonization becomes a powerful tool to make trade less costly and more inclusive.

Underpinning the system of food standards and trade rules is highly technical and often unseen work that takes place at Codex and the WTO, led by WTO Members. At the WTO, the work of the TBT and SPS Committees help resolve trade frictions that inevitably arise in the application of food standards, particularly in light of the growing number of food-related measures. Between 2007 and 2016, the share of SPS notifications related to food safety increased from 44% to 74%, while the share of TBT notifications related to food increased from 14% to 28%.[a] A similar trend is observable for STCs: between 2006 and 2017 the share of food-related STCs discussed in the TBT Committee increased from 17% to 29%; and from 23% to 43% in the SPS Committee.[b] This work of the SPS and TBT Committees makes an important contribution to averting problems escalating into full-fledged disputes.

The participation and engagement of Members is vital to making the system of food standards and trade function effectively. Members' preparation and coordination, notably through multi-stakeholder coordination at the national level, is critical to making the SPS and TBT Committees' work. The basis for effective participation at the international level is strong domestic dialogue and coordination. Capacity building is essential to ensure that Members have the tools and skills they need to meet requirements in export markets. The Standards and Trade Development Facility (STDF)[c], of which the WTO is a partner, helps build capacity in the SPS area, to support developing countries in complying with international food standards.

Growing interconnectedness, technological innovation, and evolving health concerns pose new and emerging challenges for food standards and trade. The mechanisms and processes available to them through Codex, the FAO and the WTO, are important tools Members can use to meet these new challenges.[d]

[a] TBT notifications are included when the notification text mentions food or beverages. SPS notifications are included when the notification has the stated objective of food safety.
[b] TBT STCs are included when the measure at issue deals with food or beverages. SPS STCs are included when the measure at issue has the objective of food safety.
[c] http://standardsfacility.org/
[d] See "Trade and Food Standards", FAO and WTO, 2017. https://www.wto.org/english/res_e/publications_e/tradefoodfao17_e.htm

Source: WTO Secretariat.

3.5 Trade Concerns Raised in Other Bodies

3.68. A number of trade concerns raised in formal meetings of various WTO bodies involved G20 members.[40] This Section aims to provide a factual overview of such concerns raised between mid-October 2016 and mid-October 2017. This 12-month time-frame or review period has been chosen for this Section to allow for a more meaningful and substantive overview than a six-month review could provide. The trade concerns covered in this Section have neither the status nor the procedural framework of the STCs raised in the SPS and TBT Committees. Nevertheless, they provide an interesting and up-to-date insight into which trade issues are being discussed in various committees and councils across the WTO and, as such, add important transparency to the operation of the Organization. This Section does not aim to reproduce the full substantive description of the trade concerns outlined by Members, but does provide a reference to the formal meeting(s) where a particular issue featured. For the full account and context of concerns, G20 members are invited to consult the formal records of the respective WTO bodies. The list of concerns and issues mentioned in this Section is not exhaustive and is limited to measures taken by G20 economies.[41]

3.69. At the meeting of the *Council for Trade in Goods (CTG)* on 17 November 2016[42], new concerns were raised on (i) the EU (Croatia) regulations of import and sale of certain oil products (raised by the Russian Federation); (ii) Turkey's measures regarding additional customs duties on imported tyres (raised by Japan under Other Business (OB)); and (iii) the Russian Federation's certification requirements for cement through Resolution 930 of September 2015 and GOST standard of January 2016 (raised by the European Union under OB).[43] At that meeting, previously raised trade concerns were repeated on (i) the U.S. Seafood Monitoring Programme (raised by China); (ii) Indonesia's import and export restricting policies and practices (raised by the European Union, Japan and the United States); (iii) India's import restricting measures, including import duties on IT products covered by the ITA, port closures to apple imports, Minimal Import Prices (MIPs) and safeguard measures on hot-rolled steel products (raised by the European Union, Japan and the United States); (iv) China's measures related to trade in seafood (raised by Norway); and (vi) China's import tax on personal effects at the border (raised by Japan under OB).

3.70. At the 6 April 2017 meeting of the CTG[44], two new trade concerns were raised under the regular agenda on (i) China's lack of timely and complete notifications in the area of subsidies and State Trading Enterprises (STEs), and China's governmental intervention in several key industrial sectors, such as steel and aluminium (raised by the United States)[45]; and (ii) Brazil's measures on shrimp imports from Ecuador (raised by Ecuador).[46] Under OB, new concerns were raised on the United States' increasing use of trade remedy measures and the failure to implement the obligation under Article 15 (a) of China's Accession Protocol regarding methodology in AD investigations (raised by China). At the same meeting, the Council considered six additional trade concerns that had already been brought to its attention at prior meetings: (i) the European Union (Croatia) regulation of import and sale of certain oil products (raised by the Russian Federation); (ii) the U.S. Seafood Import Monitoring Programme (raised by the Russian Federation); (iii) Indonesia’s import- and export-restricting policies and practices (raised by the European Union, Japan and the United States); (iv) Turkey’s measures regarding additional customs duties on imported tyres (raised by Japan); (v) India’s import-restricting measures, particularly the import duties imposed on certain telecommunication products already covered by the ITA and the MIPs for steel products (raised by the European Union, Japan and the United States), and (vi) the Russian Federation's mandatory certification for cement (raised by the European Union).

[40] This Section does not include SPS and TBT Committees (covered separately) or issues brought to the Dispute Settlement Body. Some of the trade concerns raised may be the subject of a dispute.

[41] G20 economies are encouraged to communicate to the WTO's Trade Policy Review Division the issues on non-tariff measures which they have raised in WTO bodies and which they believe are relevant to the monitoring effort.

[42] Minutes G/C/M/127.

[43] The issue was also raised during the Russian Federation's TPR and in the TBT Committee.

[44] Minutes G/C/M/128.

[45] The issues had also been raised at the SCM and STE Committees.

[46] The issue had already been raised at the SPS Committee.

3.71. At the 30 June 2017 meeting of the CTG[47], three new trade concerns were brought to the Council's attention: (i) the trade measures adopted in early June 2017 by the Kingdom of Saudi Arabia (and the Kingdom of Bahrain and the United Arab Emirates) which affected the importation and exportation of goods to and from Qatar (raised by Qatar)[48]; (ii) the United States' investigations under Section 232 to determine the effects on national security of steel and aluminium imports with regard to two trade remedy investigations initiated in April 2017 (raised by the Russian Federation); and (iii) Brazil's measures restricting banana imports of Ecuadorian origin (raised by Ecuador).[49] At the same meeting, previously raised trade concerns were repeated on (i) China's trade-distorting measures (raised by the United States); (ii) U.S. trade-distorting measures (raised by China); (iii) Brazil's measures restricting Ecuadorian shrimp imports (raised by Ecuador); (iv) Indonesia's import- and export-restricting policies; and (v) the Russian Federation's trade measures regarding the GOST standard and the "good manufacturing practice" certificates for pharmaceutical products.[50]

3.72. At the 2 May and 22 September 2017 meetings of the *Committee on Market Access*[51] new and persistent trade concerns were raised on (i) Argentina's law on the auto-part sector (raised by the European Union and Mexico); (ii) China's customs duties on certain integrated circuits (raised by the European Union, Japan, Chinese Taipei and the United States); (iii) China's import tax on personal effects at the border (raised by Japan); (iv) India's customs duties on telecommunication and other products (raised by Canada; the European Union; Japan; Korea, Republic of; Chinese Taipei and the United States)[52]; (v) the Kingdom of Saudi Arabia's excise tax on energy drinks and carbonated soft drink products (raised by Switzerland)[53]; and (vi) the Russian Federation's taxation on wine (raised by the European Union).

3.73. At the meetings of the *Committee of Participants on the Expansion of Trade in Information Technology Products* on 1 November 2016 and 28 June 2017[54], trade concerns continued to be raised regarding India's Customs Notification No. 11/2014 and the 10% import duty increase on certain telecommunication equipment with concessions that are bound at duty-free levels in India's WTO schedule of concessions (raised by the European Union; Japan; Korea, Republic of; and the United States). In addition, at the June meeting of the Committee, concerns were expressed with respect to China's application of tariffs on certain semiconductor devices, known as "multi-component integrated circuits" (MCOs), as a result of their reclassification under the 2017 nomenclature of the Harmonized System and that were previously duty-free by virtue of China's commitments under the ITA Agreement (raised by the European Union, Japan and the United States).

3.74. A number of concerns were repeated at the meetings of the *Committee on Import Licensing*[55] on 5 May and 3 October 2017 regarding (i) Indonesia's import licensing regime for cell phones, handheld computers and tablets (raised by the United States); (ii) Brazil's regulatory requirements for imports of nitrocellulose (raised by the European Union); (iii) India's import licensing requirements on boric acid (raised by the United States) and; (iv) Mexico's steel import licensing programme (raised by Canada and the United States). New trade concerns were raised on (i) the European Union's steel import licensing system (raised by the Russian Federation); (ii) Indonesia's import licensing system on tyres (raised by Thailand); (iii) Indonesia's import requirements related to milk supply and circulation (raised by the United States) and; (iv) China's changes to import licensing for certain recoverable wastes and recovered materials (raised by the United States).

[47] Minutes G/C/M/129 (forthcoming).
[48] Similar concerns were previously raised at the CTS.
[49] Similar concerns had been raised at the SPS Committee.
[50] Similar concerns had been raised at the TBT Committee.
[51] Includes issues raised under "other business". Minutes G/MA/M/64 and G/MA/M/65 (forthcoming).
[52] Documents G/MA/W/120 and G/MA/W/128.
[53] Document G/MA/W/132.
[54] Minutes G/IT/M/65 and G/IT/M/66 (forthcoming).
[55] Minutes G/LIC/M/45 and G/LIC/M/46 (forthcoming).

3.75. At the meeting of the *Committee on Customs Valuation* on 15 May 2017[56] concerns were raised on Indonesia's lack of notifications on PSI measures (raised by the United States).

3.76. In the *Committee on Agriculture*[57] (CoA) a number of questions and concerns were raised with respect to G20 members' individual notifications and on implementation-related issues. From mid-October 2016 to mid-October 2017, 195 questions were discussed, including on individual notifications (88 questions), on Article 18.6 issues (94 questions) and on overdue notifications (13 questions). Additional details regarding these questions and concerns for the period mid-October 2016 to mid-April 2017 can be found in Section 3.5 of the June 2017 G20 Trade Monitoring Report and from mid-April to mid-October 2017 in Section 3.6 of this Report.

3.77. At the meetings of the *Committee on Anti-Dumping Practices*[58] on 27 October 2016 and 27 April 2017, concerns were raised as per Table 3.18 below.

Table 3.18 Concerns raised on anti-dumping practices

Measure implemented by	Member(s) raising the concern
Argentina	
Investigation on aluminium wheels	China
Australia	
Sunset review on ammonium nitrate	Russian Federation
Brazil	
Sunset review on PET films	Turkey
Measures on white crystal sugar	Costa Rica
Canada	
Investigation on certain fabricated industrial steel components	European Union
Investigation on silicon metal	Kazakhstan and Russian Federation
China	
Measures on unbleached sack paper	European Union
Measures on acrylic fibre	Turkey
Investigation on vinylidene chloride	Japan
European Union	
Investigations on cold-rolled steel products and aluminium foil	Russian Federation
Investigation on certain hot-rolled flat products of iron	China
India	
Investigation on low-ash metallurgical coke	Australia
Investigation on linear alkyl benzene	Qatar
Investigation on styrene butadiene rubber	European Union
Investigations covering "complete value chain"	China
Measures on cold-rolled flat steel products	Ukraine
Investigations on cold-rolled flat steel products; hot-rolled flat steel products; and resorcinol	Japan
Investigation on dimethyl acetamide	Turkey
Indonesia	
Investigation on wheat flour	Turkey
Korea, Republic of	
Sunset review on stainless steel bar	Japan
Mexico	
Investigation on seamless steel tubes	Ukraine
Sunset review on cold-rolled steel sheet	Kazakhstan
Russian Federation, Armenia, Kazakhstan, and Kyrgyz Republic	
Investigations on bars and rods and hot-rolled steel angles	Ukraine
Saudi Arabia, Kingdom of (for Gulf Cooperation Council)	
Investigation on automotive batteries	Korea, Rep. of
Turkey	
Sunset review on copper wire rod	Ukraine
Sunset review on motorcycle and bicycle tyres	Chinese Taipei

[56] Minutes G/VAL/M/64.
[57] Questions and responses to the issues raised under the review process in the CoA meetings on 9 November 2016, 27 March and 7 June 2017 are available in G/AG/W/159 issued on 13 December 2016, G/AG/W/161 issued on 9 May 2017 and G/AG/W/165 issued on 24 July 2017.
[58] Minutes G/ADP/M/51 and G/ADP/M/52.

Measure implemented by	Member(s) raising the concern
Investigation on bleached kraftliner paper	Brazil
United States	
Investigation on ammonium nitrate	Russian Federation
Investigation on carbon and alloy steel cut-to-length plate	European Union and Japan
Investigations on corrosion resistant steel products, cold-rolled flat steel products, hot-rolled flat steel products and large transformers	Korea, Rep. of
Administrative review on oil country tubular goods	China and Korea, Rep. of

Source: WTO Secretariat.

3.78. Additional concerns were raised on issues such as (i) the expiration of China's Accession Protocol Section 15 (a); (ii) the recent rapid increase in AD measures, especially in the steel sector (raised by Japan and Brazil); (iii) India's "complete value chain" practice in investigations (raised by China) ; (iv) the length of the U.S. AD measures (raised by Japan); (v) Australia's decision to extend for another five years its 10-year-old AD measures on canned pineapples (raised by Philippines); (vi) Indonesia's extension of an AD measure on Philippine Cavendish bananas (raised by Philippines); (vii) application filed by the Turkish producers to initiate an AD investigation on flat hot-rolled steel products (raised by the Russian Federation); (viii) draft amendments to the Basic AD Regulation of the European Union (raised by the Russian Federation); (ix) amendments to the AD legislation of India (raised by Ukraine); and (x) development of the particular market situation test practices among Members (raised by the Russian Federation).

3.79. At the meetings of the *Committee on Subsidies and Countervailing Measures*[59] on 25 October 2016 and 25 April 2017, concerns were raised on CVD actions as per Table 3.19 below.

Table 3.19 Concerns raised on CVD actions

Measure implemented by	Member(s) raising the concern
Brazil	
Investigation on hot-rolled steel	China
Canada	
Investigation on silicon metal	Kazakhstan
United States	
Measures on steel products	Brazil
Measures on iron and steel products	Turkey
Investigation on silicon metal	Kazakhstan
Investigation on certain cold-rolled steel flat products	Russian Federation

Source: WTO Secretariat.

3.80. At the same meetings, concerns were raised on subsidies as per Table 3.20.

Table 3.20 Concerns raised on subsidies

Measure implemented by	Member(s) raising the concern
Canada	
Government support for the Canadian Aircraft Industry	Brazil
Government support for a new cement facility in Quebec	United States
China	
Non-notification of alleged subsidies	United States
Non-notification of alleged subsidies in the fisheries sector	United States
Non-notification of alleged subsidies under the Internationally Well-known Brand Programme	United States
Requests for information on certain alleged subsidy programmes in the steel sector	European Union and the United States
Request for information on the China Structural Reform Fund	European Union

[59] Minutes G/SCM/M/99 and G/SCM/M/101.

Measure implemented by	Member(s) raising the concern
India	
Export subsidies in the textile and apparel sector	United States
United States	
Request for information on certain alleged subsidy programmes	China

Source: WTO Secretariat.

3.81. At the meetings of the *Trade-Related Investment Measures (TRIMs)* Committee on 17 October 2016 and 12 May 2017[60], new or continuing issues were raised as per Table 3.21.

Table 3.21 Concerns raised at the Committee on Trade-Related Investment Measures

Measure implemented by	Member(s) raising the concern
Argentina	
Act 27,263 on the development and strengthening of auto-parts[a]	Mexico
China	
Provisions on insurance system informatization[b]	United States
Indonesia	
Requirements for 4G LTE mobile devices[c]	Canada, European Union, Japan, United States
Provisions in the energy sector (mining, oil and gas)[d]	Canada, European Union, Japan, United States
Industry Law and Trade Law[e]	European Union, Japan, United States
Minimum local product requirement for modern retail sector[f]	European Union, Japan, United States
Measures relating to investment in the telecommunications sector[g]	Japan, United States
Russian Federation	
Measures implementing the Russian Federation's import substitution policy[h]	European Union, United States

a See document G/TRIMS/Q/ARG/1.
b See document G/TRIMS/Q/CHN/1.
c See documents G/TRIMS/W/148 and G/TRIMS/W/162.
d See documents G/TRIMS/W/70, 74, 79, 88, 100, 108, 123, 128, 137 and 137/Corr.1.
e See documents G/TRIMS/W/138, 140, 157 and 158.
f See documents G/TRIMS/W/139, 141, 159 and 161.
g See documents G/TRIMS/W/61, 63, 71, 75, 78, 80, 86, 96, 104, 131, 154, 160 and G/TRIMS/Q/IDN/1.
h See documents G/TRIMS/Q/RUS/4, G/TRIMS/Q/RUS/5 and G/TRIMS/Q/RUS/6.

Source: WTO Secretariat.

3.82. At the meetings of the *Committee on Safeguards*[61], on 24 October 2016 and 24 April 2017, concerns were raised on specific SG actions as per Table 3.22.

Table 3.22 Concerns raised at the Committee on Safeguards

Measure implemented by	Member(s) raising the concern
China	
Investigation on sugar	Australia; Brazil; Cuba; Korea, Rep.of
Saudi Arabia, Kingdom of (Bahrain, Kingdom of; Kuwait. State of; Oman; Qatar; United Arab Emirates)[a]	
Investigation on ferro silico manganese	Ukraine
India	
Investigation on hot-rolled flat sheets and plates of alloy or non-alloy steel	Japan; Korea, Rep. of; and Ukraine
Investigation on unwrought aluminium	European Union and United States
Indonesia	
Investigation on flat-rolled product of iron or non-alloy steel	Japan, Chinese Taipei, Viet Nam

[60] Minutes G/TRIMS/M/41 and G/TRIMS/M/42.
[61] Minutes G/SG/M/50 and G/SG/M/51.

Measure implemented by	Member(s) raising the concern
South Africa	
Investigation on flat-rolled products of iron or non-alloy steel	Japan, Chinese Taipei, Turkey
Investigation on certain flat-rolled products of iron, non-alloy steel or other alloy	Japan, Chinese Taipei, United States
Turkey	
Investigation on pneumatic tyres	China, European Union, Japan and Chinese Taipei
Investigation on wallpaper and similar wallcoverings	European Union, Ukraine

a Investigations are initiated at the level of the GCC.

Source: WTO Secretariat.

3.83. Other issues and concerns were discussed regarding (i) the European Union's system of prior surveillance of imports of certain steel products, introduced in April 2016 (the Russian Federation); and (ii) request to imposing Members in general to closely follow the rules of the SG Agreement (Australia; Brazil; Canada; the European Union; Hong Kong, China; Japan; Korea, Rep. of; Chinese Taipei and the United States).

3.84. At the meetings of the *Working Party on State Trading Enterprises* on 21 October 2016 and 9 May 2017, the following trade concerns (Table 3.23) were raised.

Table 3.23 Concerns raised at the Working Party on State Trading Enterprises[62]

Measure implemented by	Member(s) raising the concern
Canada	
Provincial liquor boards	United States, European Union, Australia, New Zealand
Canadian Dairy Commission	Australia, New Zealand
European Union	
Alko Inc.	Russian Federation
India	
Tamil Nadu State Marketing Corporation Limited	European Union
United States	
Commodity Credit Corporation	European Union

Source: WTO Secretariat.

3.85. Additional concerns were raised on: (i) several aspects of China's first notification of STEs since accession (questions by European Union, Australia and United States); (ii) the non-notification by the Russian Federation of its STEs, including the non-notification of enterprises considered by some delegations to be STEs, including Gazprom (questions from the European Union and the United States); (iii) Australia's Rice Marketing Act (questions by the European Union); (iv) the omission of statistics in the U.S. notifications for certain years (questions by China); and (vi) the non-notification by the United Arab Emirates of its STEs (questions by the United States.

3.86. At the meetings of the *Council for Trade in Services (CTS)* held in March and June 2017, several concerns were raised under "Other Business": (i) China's measures in tourism and distribution services were mentioned at the CTS meetings of March and June 2017 (raised by Korea, Republic of; echoed by the United States and Japan at the June meeting)[63]; (ii) China's cybersecurity law was cited at the June meeting (Australia; Japan; Korea, Rep. of; Chinese Taipei and the United States); and (iii) measures enacted by the Kingdom of Saudi Arabia (and the Kingdom of Bahrain and the United Arab Emirates) in a number of sectors and modes of supply were mentioned in June (Qatar and Turkey). At the meeting held on 6 October 2017, under an item on the Council's agenda, concerns were raised on China's cybersecurity measures (raised by Japan and the United States[64] and supported by European Union, New Zealand, Australia and Chinese Taipei).

[62] Minutes G/STR/M/30 and G/STR/M/31.
[63] Minutes S/C/M/130 and S/C/M/132.
[64] The US also circulated a communication under that item, titled "Measures adopted and under development by China relating to its Cybersecurity Law" (document S/C/W/374).

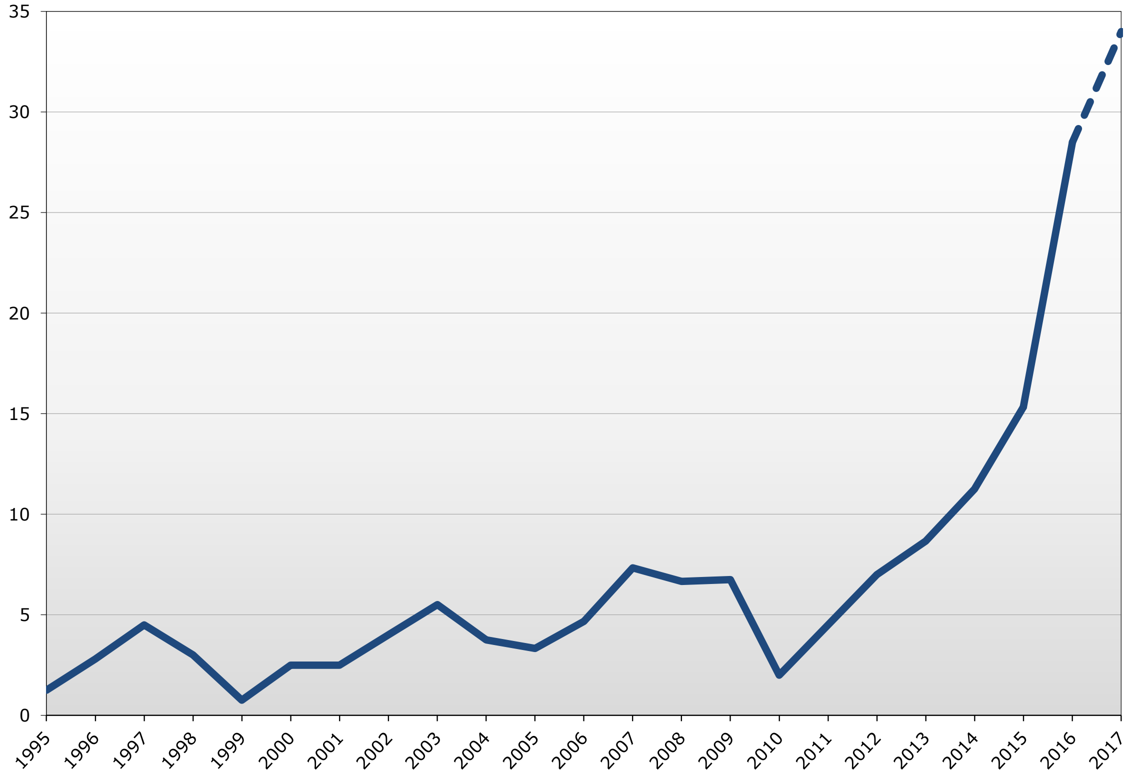
3.87. In the *Committee on Government Procurement* meetings of 21 June and 18 October 2017[65], concerns were raised regarding current developments related to buy-American initiatives in the United States.

3.88. The above Section shows that a greater number of trade concerns were raised in the various WTO bodies where meetings took place between mid-October 2016 and mid-October 2017 compared to the same period in 2015-2016. A larger number of trade concerns on measures implemented by G20 economies were raised in nearly all committees and councils, and several measures were raised in more than one WTO body during this period. The latter may suggest that the trade concerns raised involve increasingly complex and cross-cutting issues. It may also provide an indication that WTO Members are soliciting multiple platforms within the WTO committee structure to address various aspects of such trade concerns. From a systemic point of view, this is significant because of the increased transparency which it brings, but also because it demonstrates that Members are actively using the WTO committees to constructively engage trading partners on potential areas of trade friction.

3.6 Policy Developments in Agriculture

3.89. During the June 2017 meeting of the *Committee on Agriculture (CoA)*, 19 out of 25 implementation-related issues (Art. 18.6) were raised concerning policies implemented by G20 members.[66] Chart 3.11 shows an increasing trend since 2011 in the average number of questions raised per meeting under Article 18.6 concerning policies maintained by G20 economies. This trend continued in 2017, with an average of 34 implementation-related questions posed to G20 members per meeting. These numbers include questions that were repeated from one meeting to the next because responses were not provided within the relevant timeframes.

Chart 3.11 Average number of questions posed to G20 members under Article 18.6[a]



a Data for 2017 relating to the CoA's March and June 2017 meetings.

Source: WTO Secretariat.

[65] Chairman's Statement at the Informal Closing Session, RD/GPA/51.

[66] Questions and responses to the issues raised under the review process in the CoA meeting on 7 June 2017 are available in G/AG/W/165 issued on 24 July 2017.

3.90. Some of the issues raised were discussed for the first time, whereas others had been discussed one or more times in previous years. Table 3.24 indicates the specific measures relating to implementation commitments that were discussed for the first time during the June 2017 CoA meeting.[67]

3.91. Out of the 19 implementation-related issues concerning policies implemented by G20 members, 12 were discussed for the first time during the June 2017 CoA meeting. The questions were fairly distributed among the three pillars of the Agreement on Agriculture (market access, domestic support and export subsidies). One-third of the issues related to domestic support policies, including India's pulse policies, Mexico's agricultural diesel programme, Russian Federation's decouple support and Turkey's National Agricultural Model. One-third of the questions were raised in relation to measures that restricted, or had the potential to restrict, trade of agricultural products, i.e. China's sugar imports, Indonesia's dairy import systems and the U.S. regulations on fluid ultrafiltered milk and its border tax adjustment proposal. There were three questions seeking clarification in the area of export subsidies, all of them in connection with the Nairobi Ministerial Decision on Export Competition[68], i.e. Canada's butter export subsidies, and EU export subsidy commitments and its sugar policies. A question was raised by the Russian Federation regarding Turkey's Inward Processing Regime concerning wheat.

Table 3.24 Article 18.6 new issues

Question summary	Question raised by	Products	Number of questions	CoA meeting	ID number
U.S. regulations on fluid ultrafiltered milk	Canada	Milk	3	84	84061, 84062, 84063
Canada's butter export subsidies	Australia	Butter	1	84	84016
China's sugar imports	Australia	Sugar, cane or beet sugar, other	1	84	84036
European Union's export subsidy commitments	Guatemala	*	1	84	84109
European Union's sugar policies	Australia	Sugar, cane or beet sugar, other	1	84	84037
India's pulses policies	Canada	Processed vegetables	1	84	84044
Indonesia's dairy import system	United States of America	Dairy, milk, milk powders, butter, cheese, other	1	84	84075
Mexico's agricultural diesel programme	Ukraine	*	1	84	84050
The Russian Federation's decoupled support	United States of America	*	1	84	84083
Turkey's National Agriculture Model	European Union	*	1	84	84060
U.S. Border Adjustment Tax proposal	Ukraine	All agricultural products	1	84	84054
Turkey's Inward Processing Regime (IPR) programme	Russian Federation	Wheat	1	84	84113

* The question did not target specific products.

Source: WTO Secretariat.

3.92. Other measures discussed included follow-up questions on persistent areas of concern. For example, Brazil's domestic support programmes have been raised in 18 CoA meetings. Canada's new milk ingredient class, its wine sale policy and its tariff-rate quota for cheese continued to be the subject of scrutiny in the CoA, receiving various questions co-sponsored by two or three WTO

[67] The complete questions and answers can be accessed through the Agriculture Information Management System at http://agims.wto.org by using the ID numbers (Table 3.24) in the function "Search Q&A Submitted Since 1995".

[68] WT/MIN(15)/45 and WT/L/980

Members. Other recurrent issues included India's wheat stocks and exports, and the U.S. Federal Milk Marketing Order (Table 3.25).

Table 3.25 Issues previously raised under Article 18.6

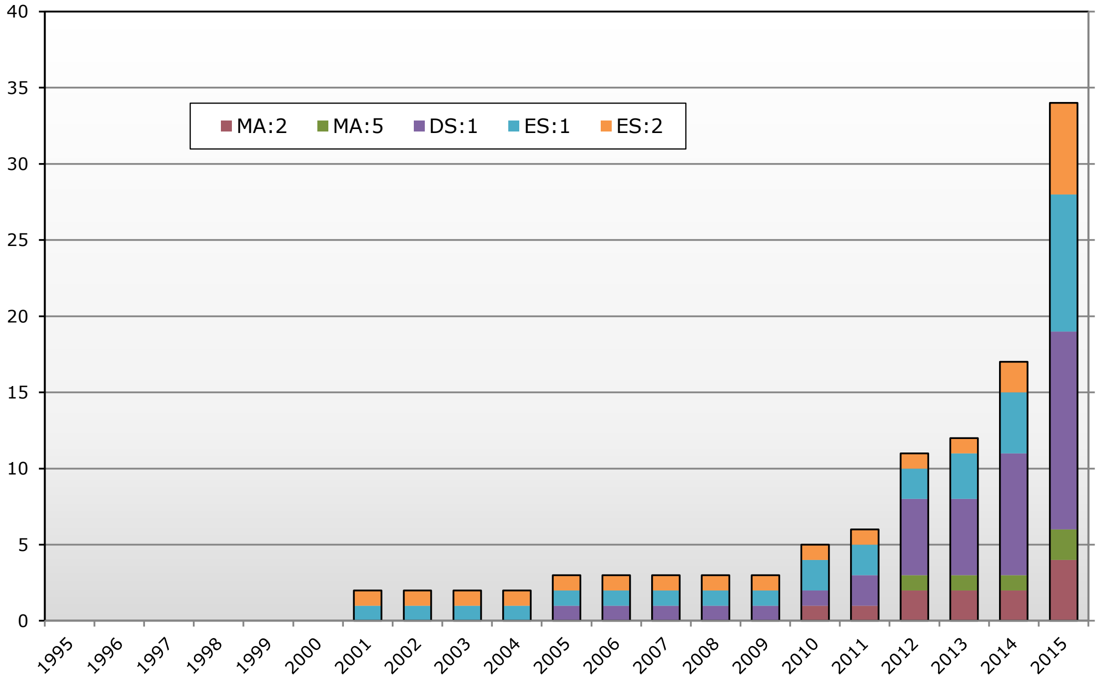
Question summary	Question raised by	Products	Number of questions	Number of CoA meetings in which the issue was discussed	CoA meetings	ID number
Canada's New Milk Ingredient Class	Australia, India, New Zealand, United States	Dairy, milk, milk powders, butter, cheese, other	25	6	79, 80, 81, 82, 83, 84	84012, 84018, 84020, 84021, 84022, 84023, 84025, 84027, 84029, 84030, 84035, 84111, 84107, 84031, 83054, 83039, 82012, 82059, 82013, 82001, 81001, 81009, 81049, 81054, 81055, 81056, 80003, 80005, 80006, 80025, 79035
Brazil's domestic support programmes	United States	Wheat, corn, rice, malt, coarse grains, cotton	18	18	65, 66, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 83, 84	84073, 83038, 81008, 80024, 79001, 78002, 77066, 76039, 75023, 74021, 73026, 72051, 71028, 70007, 69027, 68007, 66002, 65011
Canada's wine sale policy	Australia, European Union, New Zealand, United States	Alcoholic	15	6	79, 80, 81, 82, 83, 84	84017, 84106, 84033, 84112, 84105, 83007, 83041, 83104, 83135, 82057, 82002, 81003, 81011, 81024, 81046, 81047, 81097, 80008, 80009, 80094, 80095, 79003
India's wheat stocks and exports	Australia, Canada, United States	Wheat	9	5	72, 73, 74, 83. 84	84072, 84041, 83042, 72061, 72008, 73039, 73003, 74048, 74001
Canada's tariff-rate quota for cheese, and domestic support	New Zealand, Norway, Switzerland, United States	Cheese	8	7	75, 76, 77, 80, 81, 83, 84	84110, 84108, 83003, 83004, 83005, 81004, 81051, 81052, 80001, 80002, 80007, 77037, 77001, 76023, 75026
U.S. Federal Milk Marketing Order (FMMO)	Canada	Milk, butter, cheese	4	2	83, 84	84064, 84056, 84055, 83124
India's support price for Rabi crops	European Union, United States	Wheat	2	2	83, 84	84071, 83009

Source: WTO Secretariat.

3.93. Regarding the review of notifications, timely and complete notifications are fundamental for the effective monitoring of the implementation of commitments. Twelve distinct notification requirements are applicable in agriculture, covering the following areas: market access, domestic support, export subsidies, export prohibitions or restrictions, and the follow-up to the Marrakesh NFIDC Decision. The applicability of a notification requirement to a Member is largely dependent on its specific commitments under the Agreement on Agriculture (AoA). Out of the 12 notification requirements, the following are "regular" or "annual" notification requirements: (i) imports under tariff and other quotas (MA:2); (ii) special safeguards (MA:5); (iii) domestic support (DS:1); (iv) export subsidies (ES:1); and (v) total exports (ES:2). Annual notifications are required to be submitted no later than a certain number of days following the end of the year in question, in accordance with the deadlines set out in document G/AG/2.

3.94. G20 economies have shown a high level of compliance with their transparency obligations under the AoA, submitting 91% of their expected 1,244 notifications for the period 1995-2015. All expected notifications regarding 1995 to 2000 have been submitted (Chart 3.12). Furthermore, as seen in Chart 3.12, in recent years, G20 economies have frequently submitted notifications that cover more than one implementation year, which indicates an effort to bring their notifications up to date.

Chart 3.12 Total outstanding notifications per type of notification requirement, per year (1995-2015)

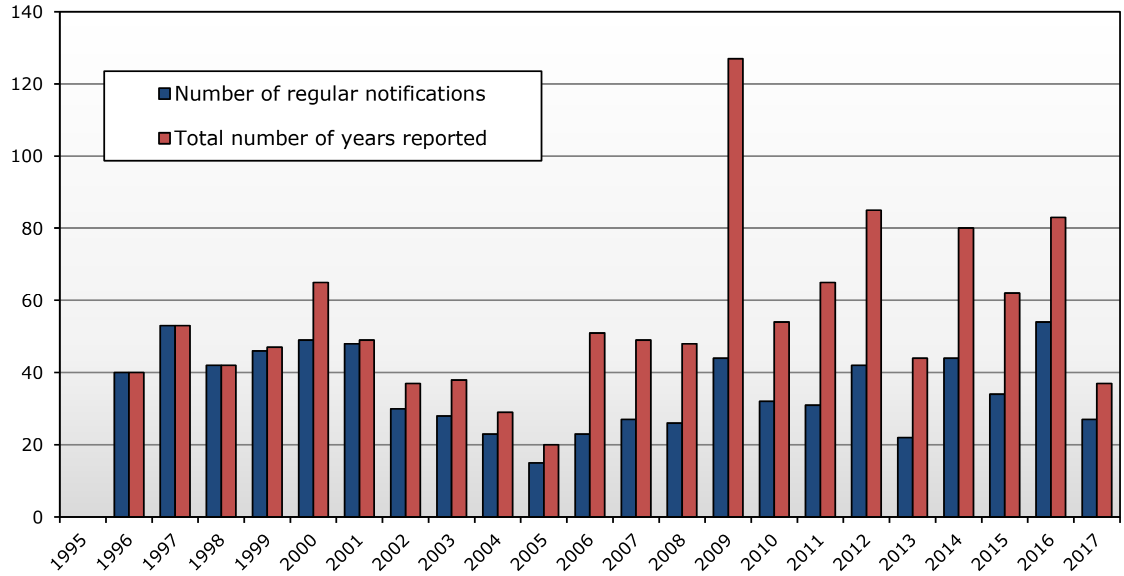


Note: All notifications relative to the period 1995-2000 have been submitted.

MA:2 - Imports under tariff and other quotas, MA:5 - Special safeguards, DS:1 - Domestic support, ES:1 - Export subsidies, ES:2 - Total exports.

Source: WTO Secretariat.

Chart 3.13 Number of years reported in regular notifications by G20 members (1995-2017[a])



a Until 5 October 2017.

Note: For example, in 2009, the G20 economies submitted 44 notifications covering 127 years. Mexico, for instance, submitted one Table MA:2 notification reporting in-quota imports for eight years (2000, 2001, 2002, 2003, 2004, 2005, 2006 and 2007). For the purpose of this table, this means that Mexico reported eight implementation years.

Source: WTO Secretariat.

3.95. From 16 April 2017 to 10 October 2017, G20 economies submitted 20 notifications (including addenda and corrigenda). A total of 17 questions were posed during the June 2017 CoA meeting concerning these and previously submitted notifications. These questions accounted for 33% of all notification-related questions raised in the CoA in that period. As seen in Table 3.26, during the review period, the majority of questions concerned notifications related to domestic support, followed by questions on market access. Four questions raised concerned outstanding notifications from Turkey and India, in particular in relation to their domestic support policies.

Table 3.26 Questions concerning notifications by G20 members (CoA June 2017 meeting)[69]

ID number	Question by	Answer by	Keywords	Notification format	Notification
84053	Canada	European Union	Tariff quota fill	Table MA:2	G/AG/N/EU/37
84101	Guatemala	European Union	Tariff quota fill	Table MA:2	G/AG/N/EU/37
84052	European Union	Japan	Other	Table MA:2	G/AG/N/JPN/210
84100	Guatemala	United States	Tariff quota fill	Table MA:2	G/AG/N/USA/102/CORR.1
84099	United States	Argentina	Transparency issues (including Table DS:2)	Table DS:1	G/AG/N/ARG/36
84051	European Union	Brazil	Transparency issues (including Table DS:2)	Table DS:1	G/AG/N/BRA/41, G/AG/N/BRA/40, G/AG/N/BRA/32
84098	United States	European Union	Negative support amounts	Table DS:1	G/AG/N/EU/34

[69] The complete questions and answers can be accessed through the Agriculture Information Management System at http://agims.wto.org by using the ID numbers in the function "Search Q&A Submitted Since 1995".

ID number	Question by	Answer by	Keywords	Notification format	Notification
84038	European Union	Russian Federation	Transparency issues (including Table DS:2)	Table DS:1	G/AG/N/RUS/11
84093	United States	Russian Federation	Transparency issues (including Table DS:2)	Table DS:1	G/AG/N/RUS/11
84094	United States	Russian Federation	Market price support	Table DS:1	G/AG/N/RUS/11
84014	European Union	United States	Non-product-specific AMS	Table DS:1	G/AG/N/USA/109
84013	Canada	United States	Transparency issues (including Table DS:2)	Table DS:2	G/AG/N/USA/110
84011	Canada	European Union	Export subsidies subject to reduction commitments (Article 9.1)	Table ES:1	G/AG/N/EU/38
84090	United States	India	Overdue notifications		
84008	Canada	Turkey	Overdue notifications		
84007	European Union	Turkey	Overdue notifications		
84088	United States	Turkey	Overdue notifications		

Source: WTO Secretariat.

3.96. Further to the Nairobi Ministerial Decisions, the Committee held its second annual dedicated discussion on export competition at its June 2017 meeting. The discussion was held on the basis of the Secretariat's background document[70], which included the answers to a questionnaire sent to WTO Members, relevant information from export subsidy (ES:1) and food aid (ES:3) notifications, and relevant notifications to the Working Party on STEs. More than three quarters of the questions (77%) were directed at G20 members regarding policies in such areas as export subsidies, export credits, export credit guarantees or insurance programmes, agricultural exporting STEs; and international food aid (Table 3.27).[71] A number of questions posed to G20 members requested clarification on how they intended to ensure compliance of their policies with the relevant provisions of the Nairobi Decision on Export Competition.[72]

Table 3.27 Questions to G20 members at the CoA annual dedicated discussion on export competition, held in June 2017

ID number	Question answered by	Question raised by	Areas
84065, 84114	Argentina	European Union, United States	Export subsidies; export credits, export credit guarantees or insurance programmes.
84066, 84115	Australia	European Union, United States	Agricultural exporting state trading enterprises; export credits, export credit guarantees or insurance programmes.
84116	Brazil	United States	Export credits, export credit guarantees or insurance programmes.
84067, 84006, 84117, 84121	Canada	European Union, New Zealand, United States	Export subsidies; export credits, export credit guarantees or insurance programmes; international food aid.
84070, 84118	China	European Union, United States	Export subsidies; export credits, export credit guarantees or insurance programmes.

[70] G/AG/W/125/Rev.6 and addenda.
[71] G/AG/W/166.
[72] WT/MIN(15)/45.

ID number	Question answered by	Question raised by	Areas
84119, 84122	European Union	United States	Export credits, export credit guarantees or insurance programmes; international food aid.
84120	India	United States	Export credits, export credit guarantees or insurance programmes.
84123	Japan	China	International food aid.
84124, 84068, 84001	United States	China, European Union, New Zealand	International food aid; export subsidies.

Source: WTO Secretariat.

Box 3.5 The Changing Face of Agriculture and Food Trade. The Role of Global Value Chains - OECD

Global value chains (GVCs) have changed the nature of production and specialization around the world. While these changes have been most obvious in manufacturing, they have also occurred in the agricultural and food sector.

New OECD research is shedding light on the extent of GVCs in 20 different agro-food sectors. It shows that GVC engagement has a regional dimension: European agro-food value chains source more globally, but supply more locally, compared with those of China and the United States. In China, agro-food GVCs have a greater global span in terms of both sourcing inputs and supplying other markets, whereas the United States sources more regionally and supplies globally.

The value of trade in agro-food products is comprised of a number of components. While agriculture remains the dominant source of value, services form an important part of value added in agro-food exports. Indeed, the service value added component is often greater than that of the industrial sector.

The emergence of agro-food GVCs has important policy implications. Trade restrictions cannot be thought of as providing 'protection' for individual sectors: tariffs, non-tariff measures and services trade restrictions can all reduce GVC participation and the resulting benefits (including increased value added, export earnings and employment). Similarly, domestic support policies that disrupt access to inputs or distort incentives between sectors limit the ability of firms to participate in GVCs and to benefit from doing so.

With GVCs playing a greater role in agro-food trade for all countries, there is an even greater need for international markets to be free from unnecessary distortions. Restrictive trade policies that insulate domestic markets reduce access to world class intermediate inputs and can directly reduce the competitiveness of a country's own production and exports, compounding the efficiency costs of those policies on the domestic economy. In contrast, policies that seek to enhance productivity and competitiveness through public and private investments in innovation and removing distorting forms of support to agricultural producers – underpinned by efficient border procedures and more open markets - are likely to have even higher payoffs than before. And the case for services reforms to underpin the competitiveness the agro-food sector has never been stronger.

Source: OECD.

3.7 General Economic Support

3.97. The number of G20 economies that provided information on general economic support measures in response to the request for information by the Director-General on 4 September was again disappointingly low and underlines the challenges faced by the Secretariat in collecting and verifying information on general economic support measures and in reporting on trends in this area.

3.98. One year ago, the November 2016 Monitoring Report on G20 Trade Measures provided a brief historical overview of trends in the area of general economic support measures taken by G20 economies since 2008. This concluded that although the large economy-wide subsidies and high-profile bail-outs of the early years of the financial crisis are no longer prevalent across G20 economies, there was no evidence that G20 governments had turned their back on subsidization as a policy tool, particularly in certain strategic sectors.

3.99. However, reflecting the poor response rate to the request for information on general economic support measures there currently is little basis for maintaining an annex for these types of policies which would provide a balanced and credible account of recent developments in the area of subsidies and general economic support across G20 economies. The G20 economies may wish to reflect and provide further guidance on how this issue might be best addressed in future Reports.

3.8 Other Selected Trade Policy Issues

Trade Facilitation

3.100. Following the Trade Facilitation Agreement's (TFA) entry into force on 22 February 2017, work on its implementation continued to advance. Five additional acceptance instruments were deposited since mid-May, bringing the total of ratifications to 122 by mid-October. This marks almost 75% of the WTO's Membership and includes 17 G20 members.[73]

3.101. Progress was also made on the notification side. Members provided a series of submissions informing of: (i) their category A commitments (i.e. the provisions they commit to implementing as of 22 February 2017); (ii) their category B commitments (i.e. the provisions they consider require additional time); (iii) their category C commitments (i.e. the provisions they consider require both additional time and capacity-building support). By mid-October, the overall number of such notifications had grown to 99 for category A, 27 for category B and 20 for category C.

3.102. In addition, delegations presented several transparency notifications under Section I of the TFA (Articles 1:4, 10:4:3; 10:6:2 and 12:2:2). A number of donor Members further submitted information on their assistance and capacity building support for developing and least-developed countries, and provided related data in line with Articles 22:1 and 22:2 of the TFA.

3.103. Work continued with respect to technical assistance and capacity building initiatives. In 2014, the Director-General launched a WTO Trade Facilitation Facility (the Facility) to assist developing and LDC Members in implementing the TFA. It became operational on 27 November 2014. The Facility works closely with individual Members to ensure they are receiving the information and support needed. It also provides information on assistance programmes and, where needed, it can conduct match-making between donors and recipients. The Facility supports Members' efforts to implement the Agreement by acting as a repository for training materials, case studies and best practices on implementation. It provides training programmes and support materials to assist Members to fully understand their obligations.

Government Procurement

3.104. At present, the Agreement on Government Procurement (GPA) has 19 parties comprising 47 WTO Members. Another 31 WTO Members participate in the GPA Committee as observers. Among the G20 economies, nine (Canada, the European Union, France, Germany, Italy, Japan, the Republic of Korea, the United Kingdom and the United States) are formally covered by the GPA, while another nine (Argentina, Australia, Brazil, China, India, Indonesia, the Russian Federation, the Kingdom of Saudi Arabia and Turkey) are observers in the WTO Committee on Government Procurement. Brazil's request for observer status was approved at the Committee's meeting in October 2017. Discussions took place on the accession of Australia and China. Following the initiation of its GPA accession process in August 2016, the Russian Federation circulated its initial market access offer in June 2017, which was subsequently discussed at the GPA Committee meetings.

3.105. Significant work continued in the Committee in relation to its agreed Work Programmes, which were adopted at the time of the conclusion of the renegotiation of the Agreement in 2012. The Work Programmes are intended broadly to: (i) promote transparency with respect to Parties' implementation of the Agreement; (ii) facilitate, where relevant, improvements in the administration of the Agreement; and (iii) contribute, where appropriate, to preparations for future negotiations that are called for in the revised GPA. Activity focused, in particular on the Work Programmes dealing with: (i) access to government procurement activities by SMEs; (ii) the collection and reporting of statistical data; (iii) exclusions and restrictions in Parties' Annexes; and

[73] Among the G20, only Argentina, Indonesia and South Africa are yet to hand in their acceptance instrument.

(iv) the promotion of sustainability in Parties' procurement processes. A symposium on sustainability in procurement was held in February 2017.

3.106. The Secretariat further enhanced its e-GPA web portal to better service the information needs of GPA Parties, accession candidates and their suppliers.[74] The system is intended to provide user-friendly access to Parties' market access schedules and other information that Parties provide pursuant to the Agreement, in a modern and interactive format. Separately, interest has been expressed by some Parties in exploring possibilities for expanded use of electronic tools for exchanging information on actual procurement opportunities and statistical data.

ITA Expansion

3.107. Under the ITA Expansion Agreement, import duties will be eliminated on 201 high-tech products whose annual trade is estimated at US$1.3 trillion, accounting for approximately 10% of world trade in goods. Negotiations were conducted by 25[75] participants, representing 54 WTO Members[76] and accounting for approximately 90% of world trade in these products. The ITA Expansion covers new generation IT products, including multi-component integrated circuits (MCOs), touch screens, GPS navigation equipment, portable interactive electronic education devices, video game consoles, and medical equipment, such as magnetic resonance imaging products and ultra-sonic scanning equipment.

3.108. The first tariff cut took place on 1 July 2016 for the majority of participants, subject to the completion of domestic procedural requirements.[77] According to preliminary estimates by the WTO Secretariat, 95.4% of Participants' import duties of these products will be fully eliminated by 2019, with longer implementation periods (five or seven years) for a very limited number of sensitive products. The ITA Expansion Agreement is open to any other WTO Member wishing to join it. The new tariff commitments will be recorded in each Participant's WTO schedule of concessions and applied on an MFN basis, which means that all 164 WTO Members will benefit from duty-free market access for the covered products. G20 economies participating in the ITA Expansion have completed the procedures for modifying their WTO schedules and the ITA Expansion concessions have become effective.

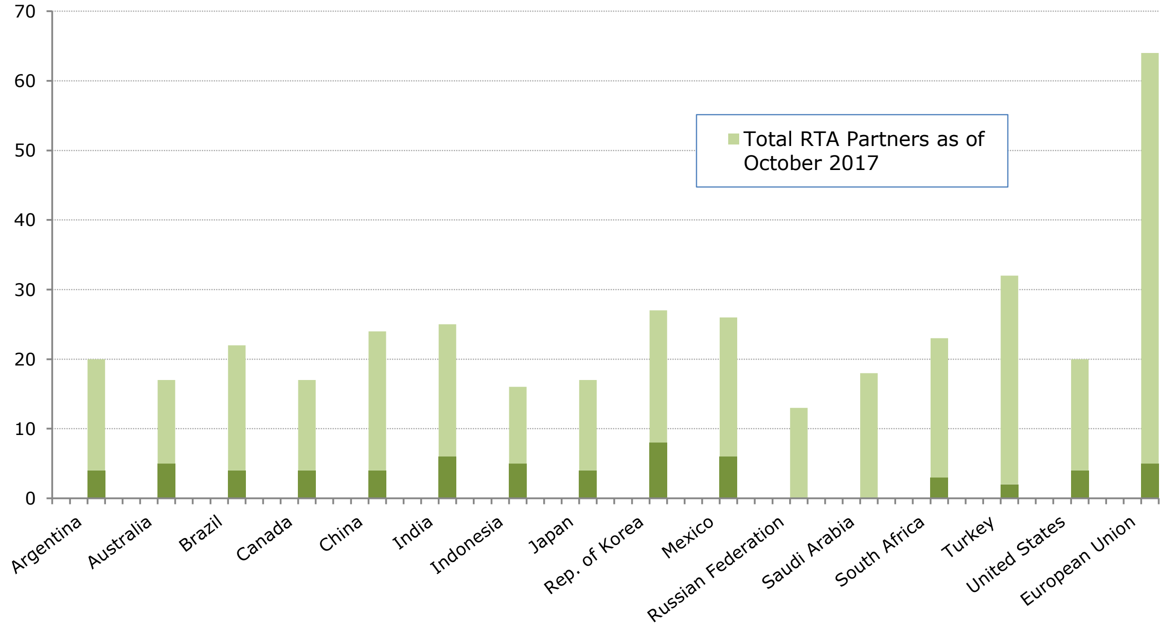
Regional Trade Agreements (RTAs)

3.109. The G20 economies continue to account for a major share of current RTA activities. As of 15 October 2017, 284 RTAs had been notified to the WTO and were in force. All WTO Members are now party to at least one RTA. Of these RTAs, around two-thirds (66%) involve at least one G20 economy. The share of intra-G20 RTAs is, however, considerably smaller, at only 7% of all RTAs. Thus, while G20 economies have a large number of RTAs in force, the share of RTAs with other G20 partners is limited and, in the case of some, such as the Russian Federation and the Kingdom of Saudi Arabia, this share is zero (Chart 3.14).

3.110. While this share is still relatively small, it may change considerably in the next few years as new RTAs come into force. The European Union, for instance, has recently completed negotiations with Japan, and the Canada-EU Agreement has been provisionally applied since 21 September 2017 and notified. There are also a number of other RTAs being negotiated among the G20 economies, including the Trans-Pacific Partnership (TPP) Agreement, which involves four G20 countries, the Regional Comprehensive Economic Partnership (RCEP), which has five G20 members, the Trans-Atlantic Trade and Investment Partnership (TTIP) between the European Union and the United States, EU-MERCOSUR, and the Tripartite Agreement which includes South Africa.

[74] https://e-gpa.wto.org/
[75] On 9 December 2016, Macao, China joined the ITA Expansion and became the 25th participant.
[76] The G20 members in the ITA Expansion Agreement are Australia; Canada; China; the European Union; France; Germany; Italy; Japan; Korea, Rep. of; the United Kingdom and the United States.
[77] Members implementing the ITA Expansion Agreement are reflected in Annex 1.

Chart 3.14 Cumulative number of RTA partners (RTAs in force, notified and not notified)



Note: Darker colours indicate the number of G20 partners.

Source: WTO Secretariat.

Trade Financing

3.111. The WTO has been continuing its advocacy efforts aimed at addressing the challenges of accessing trade finance, particularly for SMEs and in developing countries. At its July 2017 meeting, the WTO Working Group on Trade, Debt and Finance reiterated its support for the Director-General's outreach to the heads of other relevant institutions. A number of possible measures have been outlined aiming to address the challenges of accessing trade finance, including enhancing trade finance facilitation programmes, helping local banking sectors to grow by improving training, better monitoring of problems and maintaining a closer dialogue with regulators.

3.112. The 2017 survey of the Asian Development Bank (ADB) on trade finance gaps brought additional relevance to these efforts. The global trade finance gap (the "gap") for 2016 is estimated to have been relatively stable, at US$1.5 trillion, against US$1.6 trillion in 2015 and US$1.4 trillion in 2014. However, given that the value of trade in U.S. dollars has fallen by 16% over the last two years, this gap would have been expected to fall. Geographically, 40% of the gap comes from Asia, 23% from Latin America, and 15% from Africa and the Middle East. Banks had reported in the survey that 74% of their total rejections of trade finance requests came from MSMEs and midcap firms.

3.113. One result of high rejection rates is foregone trade. Firms were asked what happened to the trade transaction after rejection of the requested trade finance. Some 60% of respondents reported that they had been unable to execute the transaction. The remaining 40% were able to complete the sale without bank-intermediated trade finance. Taking a different approach to the question of what happens after a transaction is rejected, 53% of surveyed firms did not look for alternative sources of financing when a transaction was rejected. Among those respondents that found an alternative (both formal and informal solutions), only half used it – the other half found it too expensive. Respondent banks in Africa and in Latin America resorted to informal financial providers more than firms from other regions. The 2017 survey confirms that trade finance does not flow equally throughout the global trading system. While there is enough liquidity at the higher end of the market, in particular for large companies in the largest trading nations, SMEs, particularly in developing countries, are disproportionally affected by credit rejection and the lack of alternatives to bank financing. The trade finance gap has become a major obstacle to trade inclusion.

3.114. With this in mind, the Director-General held an informal round table on trade finance with senior officials from multilateral development banks (MDBs), on the margins of the 6th Global Aid for Trade Review. During this discussion, MDBs generally indicated a willingness to do more in favour of trade finance, although within existing resources. The outcome of the ADB survey had been consistent with what they saw in the field. For example, the European Bank for Reconstruction and Development witnessed rejection rates affecting SMEs in the order of 50%. It was acknowledged that there were also structural and legitimate reasons for such rejections, including lack of know-how by local traders and local banks in managing the risks of trade and trade finance, lack of collateral for lending, lack of credit history, etc. However, the impact of some regulations and the greater selectivity of banks had played an important role as well. The International Financial Corporation (IFC) had conducted a survey of 306 banks in 92 developing countries, which indicated that smaller banks faced major challenges in complying with new international regulations on anti-money laundering and other sanction requirements. These challenges have reduced their ability to serve their customers generally, and in particular the traders. In some countries, local banks were being cut off from the international financial system. MDBs were interested in increasing their capacity to serve markets, but there was also a recognition that there were limits to this. Compared to a global finance gap estimated at US$1.5 billion, they were supporting an average of US$20 to US$25 billion of trade per annum, consisting mainly of relatively small trade transactions in low-income countries. The solution was hence to bring the private sector back into the most challenging markets. One way was to develop co-financing and co-risk sharing operational among MDBs where geographical coverage overlapped, and between MDBs and commercial banks. For example, the IFC and the Islamic Trade Finance Corporation signed a Memorandum of Understanding to conduct joint trade finance operations in Western Africa.

3.115. All MDBs agreed to boost capacity building on trade finance in countries where trade was growing rapidly but where knowledge about trade finance products was limited. They also asked for a regulatory dialogue with the Financial Stability Board. Discussions had made it clear that MDBs, in their support to local banks, could do a lot to get these banks to comply with international norms. At the same time, it had become obvious that the international bar had been placed quite high for these smaller banks. It was felt that these small banks would always struggle to satisfy compliance requirements, in particular those which differed from country to country. Nevertheless, MDBs were continuing to promote the pooling of information for compliance purposes. Participants are considering meeting further, notably with private sector representatives and international financial regulatory agencies.

Dispute Settlement

3.116. As in previous years, the level of dispute settlement activity continued to increase throughout the current review period (Chart 3.15). Between 10 October 2016 and 10 October 2017, 22 panel, appellate and arbitration proceedings were handled, on average, each month. Eighteen dispute settlement reports, awards and decisions were circulated during this period. Eleven of the circulated reports were issued by panels, including one issued by a compliance panel established under Article 21.5 of the DSU. The Appellate Body circulated four reports. In addition, arbitrators issued two decisions regarding the reasonable period of time for implementation of DSB recommendations and rulings under Article 21.3(c) of the DSU, and one decision on the level of suspension of concessions and obligations under Article 22.6 of the DSU. By mid-October 2017 an additional seven appeals were pending and five panel reports issued to parties were being translated for circulation to Members.

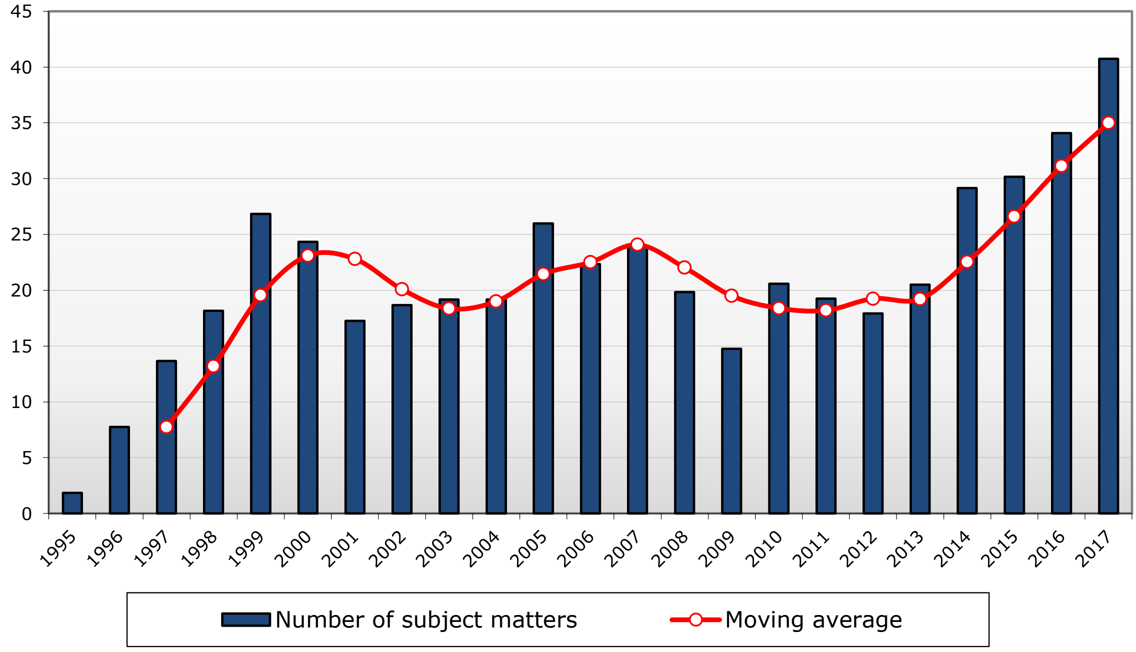
3.117. The continued establishment and composition of new panels has again placed strains on staff resources. During the review period, WTO Members filed 19 requests for consultations concerning new disputes and four requests seeking compliance proceedings. Sixteen new panels were established and 11 new panels were composed during the review period. As of early October 2017, six established panels were in composition, as compared with three panels in composition at the end of the previous review period. The continuing influx of new and complex cases has once again resulted in some delays in the Secretariat's ability to allocate staff for panels.

3.118. As anticipated in last year's report, the high number of recently circulated panel reports has resulted in an increased workload for the Appellate Body. By mid-October 2017 there were seven ongoing appeal proceedings, including in the compliance proceedings in the EC and Certain

Member States – Large Civil Aircraft (Article 21.5 – US) and US — Large Civil Aircraft (second complaint) (Article 21.5 – EU) disputes. Of these, three ongoing appeals were awaiting the availability of staff. The circulation of a large number of panel and Appellate Body reports has resulted in increases in the time needed for their translation, up to ten months in some cases.

3.119. The subject matter of disputes brought to the WTO continues to span a wide range of agreements, including the GATT 1994, the Anti-Dumping Agreement, the SCM Agreement, the Safeguards Agreement, the SPS Agreement, the TBT Agreement, the GATS, the TRIPS Agreement and the Agreement on Agriculture. As in previous years, both developed and developing countries have been involved in the dispute settlement mechanism, both as complainants and as respondents.

Chart 3.15 Total number of active disputes per year (as at August 2017)



Note: Several disputes are counted as one if they deal with the same subject matter.

Source: WTO Secretariat.

3.120. Box 3.6 below on how non-tariff measures affect MSMEs has been contributed by the ITC.

Box 3.6 How Non-Tariff Measures Affect MSMEs

Micro, small and medium-sized enterprises (MSMEs) are integral to economic development, particularly in developing and least developed countries, and are an essential component of making growth inclusive and sustainable. In most countries, MSMEs represent well above 90% of all private enterprises and over 60% of employment.

Evidence shows that exporters tend to be larger in size than firms that do not trade. Smaller and less productive firms may find it harder to connect to global markets. One reason for this is likely the existence of fixed costs that weigh more heavily on a small business.

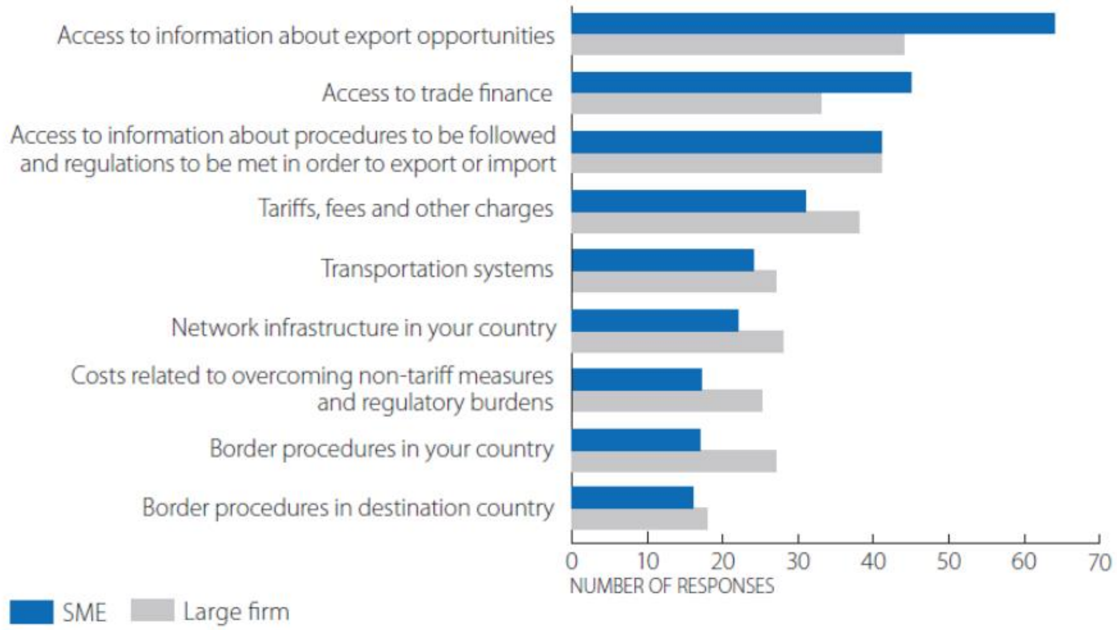
Non-tariff measures (NTMs) represent one set of fixed costs. While trade-related standards, regulations and procedures are usually identical for exporters of all sizes, their impact on MSMEs can be very different from that on large businesses. Research by the International Trade Centre (ITC) suggests that regulatory measures hit small firms' exports twice as hard as they do those of large firms. For each 10% increase in the regulatory or procedural burden faced by an exporter, export value decreases by 1.6% for large firms, but 3.2% for MSMEs.[a]

Certain kinds of trade policies disproportionately affect women-owned enterprises. In ITC surveys, businesses owned by women do not report a higher burden from regulations than those owned by men. When it comes to trade-related procedures, however, the story is different. If exports are subject to a licence, for example, obtaining one often requires personal interaction between firm personnel and national officials. Indeed, ITC Business Surveys on NTMs show that the share of procedural obstacles to trade reported by female-owned exporting firms is higher than for male-owned firms.

Helping MSMEs overcome NTM-related challenges

Access to information on regulatory requirements is likely to be key in order to help MSMEs to overcome NTM-related challenges. When asked to rank trade costs in terms of where they saw most room for improvement, MSMEs listed access to information about procedures to be followed and regulations to be met as third.[b] Their top priority was access to information on export opportunities, which represented a significantly bigger challenge for MSMEs (over 60% of responses) than for large firms (over 40%; see figure below). Notably, the share of cases associated with 'information and transparency issues' is greater among female-owned firms than male-owned firms.

Firm perception of trade costs with room for improvement



Note: SMEs are defined as firms with less than 250 employees. The chart reflects responses of 418 SMEs and 103 large firms.
Source: ITC Monitoring Survey (2015).

StatLink http://dx.doi.org//10.1787/888933241425

ITC, UNCTAD and the WTO are working to remedy both information shortfalls at once, with a new 'SME Trade Help Desk'. Set to be launched at the WTO Ministerial Conference in Argentina in December 2017, the Help Desk will serve as a one stop shop for MSMEs to access intelligence on tariffs and NTMs along with other trade-related information to help them understand what to produce and how, and when and where to trade it.

Making cross-border procedures related to NTMs more efficient is important in helping MSMEs' trade. Improved inter-agency coordination, simplified documents and procedures, enhanced transparency and predictability, and reduced charges and fees can lower the obstacles NTMs present to businesses of all sizes. These reforms are embedded in the WTO Trade Facilitation Agreement (TFA), providing a unique opportunity to reduce trade transaction times and costs and increase MSMEs' participation in global trade. National efforts should go in the direction of ensuring MSMEs are fully included in the public-private dialogue mechanisms established under the auspices of the TFA.

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[a] ITC (2016), SME Competitiveness Outlook: Meeting the Standard for Trade, http://www.intracen.org/SMECompetitiveness/2016/

[b] ITC (2015), Aid for Trade at a Glance 2015 - How Aid for Trade Helps Reduce the Burden of Trade Costs on SMEs. In WTO & OECD, Aid for Trade at a Glance 2015: Reducing Trade Costs for Inclusive, Sustainable Growth, Chapter 7, http://www.intracen.org/uploadedFiles/intracenorg/Content/Publications/a4tataglance.pdf

Source: ITC.

4 POLICY DEVELOPMENTS IN TRADE IN SERVICES

4.1. This report captures new measures affecting trade in services put in place by Australia, Canada, China, the European Union, Germany, India, Italy, Japan, Mexico, the Russian Federation and the Kingdom of Saudi Arabia between mid-May and mid-October 2017. Several new measures were horizontal in nature – relating to measures affecting the supply of services through commercial presence and the movement of natural persons – while others pertained to a variety of service sectors, including financial, communication, transport, and business services. While the majority of the measures covered are trade facilitating, certain other measures appear more trade-restrictive. Annex 4 provides additional information on all these measures.

Measures affecting supply through commercial presence

4.2. Various governments have introduced changes to their investment policy that affect the supply of services through commercial presence.

4.3. China released the 2017 version of the Catalogue for the Guidance of Foreign Investment Industries, which removes foreign investment limits for certain services sectors (e.g. certain passenger transport services and wholesale trade services) and introduces limits in others (e.g. certain internet public information services; radio and television on-demand services). China also further relaxed restrictions on foreign investment in the country's free trade zones, including in a range of services sectors.

4.4. India approved in May 2017 the phasing out of the Foreign Investment Promotion Board, aiming to make the country more attractive to foreign investors. Foreign investment applications that require government approval will instead be processed by the relevant sectoral Ministries/Departments in consultation with the Ministry of Commerce and Industry. India also introduced additional modifications to its foreign investment regime through the Consolidated FDI Policy Circular of 2017, which, for example, eases foreign ownership limits in such sectors as broadcasting carriage services and cable networks.

4.5. Australia introduced a series of changes to the foreign investment framework, with the aim of streamlining and enhancing its operation. This includes a new exemption allowing foreign investors in securities to obtain pre-approval for multiple investments through one application. Canada has increased certain thresholds for the 'net benefit' review of direct acquisitions of Canadian businesses by foreign investors under the Investment Canada Act. This concerns the threshold for private investors from WTO Members (increased to CAN$1 billion compared to CAN$600 million the previous year) and the threshold for private investors from countries with which preferential trade agreements have been concluded (increased to CAN$1.5 billion on 21 September 2017).

4.6. The Russian Federation enacted new rules with respect to transactions involving foreign investors in Russian companies. A transaction by a foreign investor in relation to a Russian company is now subject to prior approval by the Government Commission on Control over Foreign Investment if the transaction is deemed to threaten national defence and state security.

4.7. Germany amended its foreign investment regime to expand the scope for review of acquisitions of equity participation of more than 25% in domestic companies by non-EU and non-EFTA investors. The amendment introduces a list of areas that are explicitly covered by cross-sector review obligations, and expands the scope of the sector-specific review procedures. Japan modified its notification requirements under the Foreign Exchange and Foreign Trade Act with respect to certain foreign investment relating to national security. Prior notification to authorities will be required if foreign investors acquire from other foreign investors non-listed shares of Japanese enterprises in certain industries (e.g. manufacture of weapons; nuclear power plants).

Services supplied through the movement of natural persons

4.8. The Kingdom of Saudi Arabia took measures to increase the level of "saudisation" (Nitaqat framework) of the workforce across a number of industries. Companies complying with the domestic workforce thresholds enjoy a number of advantages, such as expedited immigration processing, lower processing fees and other administrative benefits. Canada introduced a streamlined temporary worker program that features shorter processing times for applications by highly-skilled foreign workers.

Communication services

4.9. In the Russian Federation, a law that entered into force on 1 July 2017 limits foreign participation with respect to certain audiovisual services. The new measure applies to systems that distribute collections of audiovisual works online, provided they have more than 100'000 users per day in the Russian Federation and that they offer content for a fee or conditional on viewing advertising targeted at residents of the Russian Federation. The law provides that only a Russian legal entity or a Russian Federation citizen that does not hold the citizenship of another state can own such systems. Foreign persons that own an information resource used for online distribution of collections of audiovisual works that has less than 50% of its users in the Russian Federation are not allowed to own more than 20% of the capital of such Russian legal entities, unless permission is received from a government commission.

4.10. In China, the Cybersecurity Law, effective since 1 June 2017, requires "personal information and important data" collected and generated in China to be stored domestically. Security assessments by authorities will be conducted in relation to information and data transferred abroad because of business requirements.

4.11. The European Union ended roaming surcharges for all people who travel periodically within the EU. As of 15 June 2017, subscribers only pay domestic charges when roaming. India lowered the interconnection usage charge for mobile to mobile communications as from 1 October 2017, and directed termination charges to end completely in January 2020. Canada took measures aimed to calibrate wholesale access at lower rates, and the Kingdom of Saudi Arabia lifted its ban on voice over Internet (VoIP) calling on 21 September.

Other Services Sectors

4.12. With respect to banking and other financial services, the People's Bank of China issued new Guidelines on the market access of suppliers of bankcard clearing services, and has taken new measures to allow foreign institutions to operate rating agencies and permit foreign-based agencies to provide rating services for the domestic market.

4.13. On 26 June 2017, Mexico raised the cap on foreign capital participation from 25% to 49% in regular and non-regular domestic air transport service, non-scheduled international air transport service in the air taxi mode, and specialized air transport service. Italy introduced new measures liberalizing the retail pharmacy sector, notably by allowing corporate entities to run a pharmacy business.

4.14. The Kingdom of Saudi Arabia removed the 25% limit on foreign ownership in the engineering services sector, China lifted the 70% foreign investment limit for medical clinics, and Australia, in the context of the Single Economic Market agenda with New Zealand, removed the requirement that patent attorneys seeking registration in Australia be ordinarily resident in Australia.

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

Table 4.1 Air transport agreements involving certain G20 members concluded or amended during the reporting period

Parties		Date of signature	Source
Guyana	Republic of Korea	09.12.2016	http://www.caribbeannewsnow.com/topstory-Guyana-signs-open-skies-agreements-32993.html
Guyana	India	09.12.2016	http://www.caribbeannewsnow.com/topstory-Guyana-signs-open-skies-agreements-32993.html
Chinese Taipei	Australia	15.12.2016	https://www.ch-aviation.com/portal/news/51723-taiwan-australia-agree-to-further-liberalise-skies
Canada	Jamaica	20.12.2016	http://jamaica-gleaner.com/article/lead-stories/20161221/jamaica-canada-see-major-benefits-open-skies-agreement
China	Australia	21.12.2016	https://centreforaviation.com/insights/analysis/china-and-australia-remove-airline-growth-restrictions-as-china-cautiously-embraces-open-skies-319894
Russian Federation	Turkey	29.12.2016	https://centreforaviation.com/news/-------629718
India	Rwanda	15.02.2017	http://www.moneycontrol.com/news/business/companies/govt-approves-india-rwanda-air-services-agreement-1003986.html
India	EU (Greece)	22.02.2017	http://www.thehansindia.com/posts/index/Education-&-Careers/2017-03-02/Air-Services-Agreement/284249
India	Fiji	08.03.2017	http://fijisun.com.fj/2017/03/09/fiji-and-india-sign-air-services-agreement/
New Zealand	EU (Italy)	15.03.2017	http://business.scoop.co.nz/2017/03/15/new-zealand-to-benefit-from-stronger-air-links/
Cameroon	Saudi Arabia, Kingdom of	16.03.2017	http://www.arabnews.com/node/1068961/saudi-arabia
India	Serbia	31.03.2017	http://www.business-standard.com/article/news-ians/cabinet-approves-updating-of-air-services-agreement-with-serbia-117040100014_1.html
India	Malaysia	31.03.2017	http://www.daijiworld.com/news/newsDisplay.aspx?newsID=445231
India	Georgia	31.03.2017	http://www.dnaindia.com/india/report-cabinet-approves-air-services-agreement-between-india-georgia-2382805
India	Cyprus	28.04.2017	http://www.tribuneindia.com/news/nation/india-cyprus-sign-4-agreements-on-merchant-shipping-air-services/398976.html
Mozambique	EU (France)	04.05.2017	http://journalducameroun.com/en/mozambique-france-ink-air-services-deal/
Australia	Fiji	08.05.2017	http://australianaviation.com.au/2017/05/australia-and-fiji-expand-air-services-agreement/
Barbados	Canada	09.05.2017	http://www.nationnews.com/nationnews/news/96649/barbados-canada-sign-air-transport-agreement
Hong Kong, China	EU (Spain)	09.05.2017	http://7thspace.com/headlines/535287/hong_kong_signs_air_services_agreement_with_spain.html
Sri Lanka	Canada	18.05.2017	http://www.colombopage.com/archive_17A/May18_1495080269CH.php
Peru	Australia	24.05.2017	http://www.andina.com.pe/Ingles/noticia-peru-australia-ink-air-services-agreement-668145.aspx
Canada	Thailand	07.07.2017	https://centreforaviation.com/news/expanded-air-transport-agreement-with-thailand-to-provide-more-travel-options-for-canadians-690743
Thailand	Australia	03.08.2017	http://gazette.com/thailand-australia/article/feed/481443
Russian Federation	Kazakhstan	05.09.2017	http://www.rusaviainsider.com/russia-kazakhstan-increase-bilateral-frequencies-designate-carriers/
Brazil	China	13.09.2017	https://centreforaviation.com/news/brazil-anac-anac-e-autoridade-de-aviaco-civil-chinesa-assinam-acordo-para-ampliar-servicos-aereos-714656
Mauritius	EU (Portugal)	14.09.2017	http://allafrica.com/stories/201709140878.html
India	Japan	14.09.2017	http://www.newindianexpress.com/business/2017/sep/14/india-japan-sign-open-sky-agreement-allowing-unlimited-flight-service-1657281.html
Singapore	EU (Hungary)	28.09.2017	http://sbr.com.sg/aviation/news/singapore-hungary-ink-air-transport-deal

Source: WTO Secretariat.

4.16. Box 4.1 deals with services and connectivity and has been produced on the basis of Chapter 4 of WTO and OECD, "Aid for Trade at a Glance 2017".

Box 4.1 Trade in Services and Connectivity

Services trade policies can play a fundamental role in addressing the difficulties faced by a number of countries in connecting to the international trading system, thereby reducing economic isolation. Indeed, well-functioning services markets are central to advancing both physical and digital connectivity. Services help connect economies to the international trading system and the global trading system through four main channels.

1. Services provide the basic infrastructure on which trade in goods relies. A diverse range of services are necessary to bring final goods from their production site to consumers across borders. The more expensive or inadequate the underlying services, the harder it is to trade goods.
2. Services are key enablers of global value chains (GVCs), which now play a preponderant role in connecting economies through trade. Services permit the coordination of GVCs, but also provide increasingly significant inputs to the production of goods. Efficient services are thus essential for industrialization and trade.
3. Services are key enablers of the digital supply of services and the functioning of e-commerce more generally. Telecommunication and IT services can have a transformational impact on economic development. They provide the basic infrastructure that allows for a range of services to be provided digitally and for goods to be offered and purchased online.
4. Services supplied online enhance connectivity by providing developing countries with new export opportunities. Their share of world services trade has increased and a number of developing countries have experienced the most rapid export growth in certain services segments.

Services policies play a fundamental role in connecting countries. When trade-facilitating, they promote connectivity. When trade-restrictive, they tend to limit it. Services trade costs are much higher on average than for trade in goods, and barriers to trade in services contribute significantly to such costs. Existing evidence shows that barriers to trade in services are relatively high and widespread. Sectors essential to physical connectivity (e.g. transport) and digital connectivity (e.g. telecommunications) face trade restrictions in a number of countries.

Recent research has found that services trade policies can limit – or enhance – connectivity in different ways. Services sectors facing lower trade costs – themselves associated in part with lower services barriers – have been found to have higher productivity growth. Restrictive services policies limit physical connectivity. For example, policy restrictions in the road transport sector increase the price of trucking services and raise trade costs, especially for landlocked countries. Services trade restrictions also negatively affect foreign investment, as well as the export of manufactured products.

Further, countries that have introduced quality regulation – including allowing competition – have had greater success than others in developing their digital economy. Such regulatory settings are key to driving investment in information and communications technology (ICT) and uptake. Over the past 25 years, the regulation of the telecommunication sector has undergone fundamental transformations, as the large majority of countries has moved from monopolies to regulatory environments encouraging effective competition, with lower barriers to entry and often privatized state-owned incumbents. Competition in the telecommunications sector has reduced prices and increased penetration levels. As reported by the UN Broadband Commission, a study of 165 countries between 2001 and 2012 showed that competitive markets had mobile broadband penetration levels that were 26.5% higher than those countries without competitive markets. Many studies have also found that this change in policy approach has been associated with enhanced affordability, as well as higher quality and greater diversity of telecommunication services. Accordingly, adequate services trade policies in the telecommunication sector, supported by appropriate regulatory frameworks, figure as key building blocks to develop quality infrastructure and help reduce the digital divide, and consequently provide a platform to take advantage of digital opportunities.

Source: WTO Secretariat.

5 POLICY DEVELOPMENTS IN TRADE AND INTELLECTUAL PROPERTY

Amendment to the TRIPS Agreement

5.1. The period under review saw important developments in the area of TRIPS, including the acceptance of the Protocol Amending the TRIPS Agreement by the Russian Federation, in September 2017. The relation between intellectual property (IP) and trade was further strengthened, as evidenced by the entry into force of legislation directly linked to trade in goods and services, as well as the development of national policies aimed at streamlining IP into the economy, described below in Box 5.1. Technological innovation and the need to protect and enforce IPRs in the digital economy are consolidating the relevance of IP for trade and economic development.

Box 5.1 Examples of IP Policy Initiatives

Canada – Comprehensive Economic and Trade Agreement (CETA) Canada-EU[a]

As a result of the implementation of CETA, the following steps were taken in September 2017:

- The Patent Act was amended to include the issuance and administration of certificates of supplementary protection (CSP). This regime provides additional protection from the date of the expiry of the eligible pharmaceutical patent, based on the first authorization for sale of a drug containing a new medicinal ingredient or combination of medicinal ingredients. This new protection is intended to partly compensate for time spent in research and obtaining marketing authorization; and provides patent-like rights in respect of drugs containing the same medicinal ingredient or combination.

- The system for the protection of geographical indications was expanded beyond wines and spirits to also cover agricultural products and foods.

- The Patented Medicines (Notice of Compliance) Regulations, which establish Canada's patent linkage regime, were amended to replace summary prohibition proceedings with full actions to determine patent validity and infringement. Thus, all litigants under the Regulations have an equivalent and effective right of appeal; and the costly and inefficient practice of 'dual litigation', whereby a patent could be separately litigated under both the Regulations and the Patent Act, was eliminated.

China – Implementation of "Sword Net 2017"[b]
"Sword Net 2017" is a special action to fight against online infringement and piracy, launched in July 2017. It is designed to strengthen the copyright protection of the press, publication, film and TV industries in the digital environment; and rectify the copyright order of e-business platforms and application stores. The objectives pursued are to consolidate the achievements of copyright administration in online literature, music, cloud storage and advertizing alliances; strengthen the primary responsibility that the internet companies should assume; and maintain a good online copyright order.

South Africa's IP National Policy – Recent Developments[c]
A National IP Policy is being developed with the objective of ensuring a coordinated and balanced approach to provide effective protection of IPRs and, at the same time, respond to the country's socio-economic dynamics and developmental objectives. The Draft IP National Policy Phase 1 was published in September 2017 for public comment. The objectives of the Policy are to: (i) consider the development dynamics of the country and improve the way IP supports small institutions and vulnerable individuals in society, including in the domain of public health; (ii) nurture and promote a culture of innovation, by enabling creators and inventors to reach their full potential and contribute towards improving the competitiveness of industries; (iii) promote arts and culture; and (iv) solidify various international obligations, such as the Convention on Biological Diversity and the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilisation.[d]

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[a] Submission by Canada for the WTO Trade Monitoring Report.
[b] Submission by China for the WTO Trade Monitoring Report.
[c] Submission by South Africa for the WTO Trade Monitoring Report.
[d] As seen in: http://www.dti.gov.za/gazzettes/IP_Policy.pdf

Source: WTO Secretariat.

5.2. The network of bilateral and regional trade agreements that contain specific IP provisions continues to expand. The WTO RTA Database currently contains 151 RTAs that incorporate substantive IP-related provisions, including, for example, on copyright and related rights, trademarks, geographical indications, industrial designs, patents, undisclosed information, layout designs of integrated circuits, new plant varieties, enforcement measures applied at the border or covering the online environment, examination and administration of industrial property rights, the scope of rights accorded to IP holders, and the substantive standards defining the eligibility for protection of certain forms of IP subject matter. IP chapters in RTAs continue to evolve and cover substantive standards for protection in areas not addressed by the TRIPS Agreement, such as traditional knowledge, biodiversity, domain names, encrypted satellite signals, liability of internet service providers, as well as cooperation mechanisms between the parties to the agreement. G20 members are actively negotiating agreements that contain sophisticated IP provisions, and also cover e-commerce and investment, and provide for competition policy measures that may have implications for the IP system.

TRIPS Council

5.3. During the review period, the TRIPS Council met twice: in June and October 2017. Debate continued on the possibility of non-violation and situation complaints under the TRIPS Agreement, as per the directions of 10th Ministerial Conference[78] and Article 63.3 of the Agreement itself.

5.4. The TRIPS Council has always given importance to the work on transparency. During the review period, six G20 members[79] notified legislative measures under Article 63.2. Some of these measures were briefly introduced during the meetings, which provided insights into recent legislative developments, for instance, in the areas of copyrights and related rights, trademarks, geographical indications, patents, compulsory licences, trade secrets, anticompetitive practices and enforcement. In the run-up to the TRIPS Council meeting in October, India submitted questions to the European Union on enforcement of IPRs with regard to goods in transit.[80]

5.5. WTO Members continued to share their experiences on the relation between IP and innovation. They engaged in a constructive discussion on the role of IP in the growth and success of MSMEs; as well as on inclusive innovation and MSMEs' trade. In June 2017, Members also started the discussion on IP and the public interest, which revolved around the use of compulsory licences.

TRIPS-related discussions in Trade Policy Reviews

5.6. During the review period, the Trade Policy Reviews of two G20 members, the European Union and Brazil, took place. These reviews included substantive discussions on IP issues with a bearing on trade policy, including on copyrights and related rights, copyright protection in the digital economy, trademarks, certification marks, geographical indications, compulsory licences, data exclusivity, linkage to the regulatory regime, use and validity of supplementary protection certificates, utility models, protection of undisclosed information and trade secrets, enforcement measures online and at the border, application of enforcement measures to goods in transit, appeal mechanisms, procedural innovations in the granting of IPRs and the implications of rulings by the Court of Justice of the European Union. Some Members participating in the discussions flagged the absence of notifications to the TRIPS Council.

[78] WT/MIN/(15)/41 and WT/L/976.
[79] Canada; China; European Union; Japan; India and Mexico.
[80] IP/C/W/636.

ANNEX 1

MEASURES FACILITATING TRADE[1]

(MID-MAY 2017 to MID-OCTOBER 2017)

Confirmed information[2]

Measure	Source/Date	Status
Argentina		
Measures to facilitate trade through the implementation of the Simplified Export Regime (*Régimen de Exportación Simplificada "Exporta Simple"*) for SMEs, with the aim of simplifying export procedures, under certain conditions: (i) maximum annual export amount of US$600,000 (fob); (ii) individual transaction total amount of US$15,000 (fob); and (iii) maximum export weight transaction of 300 kg	Permanent Delegation of Argentina to the WTO (20 October 2017) and Resolución General Conjunta No. 4049-E/2017 Ministerio de Producción (12 May 2017)	Effective 16 May 2017
Elimination of the Import Operation Register (*Registro de Operaciones de Importación*) for the import of certain live animals, and meat and edible meat offal (NCM 0103; 0203; 0206; 0209) requiring the recording of import operations (established in March 2009)	Permanent Delegation of Argentina to the WTO (20 October 2017) and Resolución No. 181-E/2017 Ministerio de Agroindustria (26 July 2017)	Effective 27 July 2017
Elimination of the "specialized customs offices" (*Aduanas Especializadas*) for imports of certain articles for consumption	Permanent Delegation of Argentina to the WTO (20 October 2017) and Resolución General No. 4097-E/2017 Administración Federal de Ingresos Públicos (26 July 2017)	Effective 28 July 2017
Temporary elimination of import tariffs on 292 tariff lines, e.g. machinery and mechanical appliances; electrical machinery and parts; railway and tramway locomotives and parts; vehicles and parts; and certain apparatus, parts and accessories (NCM Chapters 84; 85; 86; 87; 90)	Permanent Delegation of Argentina to the WTO (20 October 2017) and Decreto No. 622/2017 Comercio Exterior (8 August 2017)	Effective 9 August 2017
Temporary reductiom of import tariffs on certain machinery, equipment and goods (NCM Chapters 73; 84; 85; 87; 90; 94) destined for the hydrocarbon industry	Permanent Delegation of Argentina to the WTO (20 October 2017) and Decreto No. 629/2017 Importación (9 August 2017)	Effective 10 August 2017
Termination on 25 August 2017 of the revised regulation on exports of dairy products, lactose, milk preparations for infant use, ice cream, casein, and egg albumin (NCM 0401; 0402; 0403; 0404; 0405; 0406; 1702; 1901; 2105; 3501; 3502); introduction of sworn declaration requirement (*Declaración Jurada de Ventas al Exterior de Productos Lácteos "DJVEL"*) (originally implemented on 30 March 2016)	Permanent Delegation of Argentina to the WTO (20 October 2017), Resolución No. 225-E/2017 Ministerio de Agroindustria (24 August 2017)	
Australia		
Further reduction of import tariffs under the Expansion of the Information Technology Agreement (ITA) (86 tariff lines at 6-digit level, in HS Chapters 32; 35; 37; 39; 49; 59; 84; 85; 90; 95)	WTO document G/MA/W/117/Add.2, 26 January 2016	Effective 1 July 2017

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

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

Measure	Source/Date	Status
Brazil		
Measures to facilitate trade through the implementation of a new system to be used as platform for the declaration of export operations. Upon initial release, only air-shipped cargo was enabled to be declared. From 28 June 2017, the new system included road, rail and maritime transportation at Brazil´s main ports of entry. The objective is that, by the end of the year, 100% of the exports submitted only to Customs control are declared in the new Single Window system. For the exports that requires previous analysis of other agencies for license purposes, a new functionality will be released by the end of the year, which will integrate the licenses into the customs declaration. With the new system, it is expected that the total time of the export process will be reduced by 40%, as the new system integrates procedures and automatic data analysis	Permanent Delegation of Brazil to the WTO (23 October 2017)	Effective 28 June 2017
Creation of new tariff lines resulting in the reduction of import tariffs (from 10% to 2%) on other compounds, amalgams (NCM 2843.90.20; 2843.90.30); (from 14% to 2%) on isocyanates (NCM 2929.10.30); and (from 20% to 14%) on motor vehicles for the transport of goods with g.v.w. exceeding 20 tonnes (NCM 8704.23.40)	Permanent Delegation of Brazil to the WTO (23 October 2017) and Camex Resolution No. 35/2017 (5 May 2017)	Effective 1 July 2017
Temporary reduction (to 2%) of import tariffs on sensitized photographic film in rolls for x-ray (NCM 3702.10.20), under an import quota of 1,000 tonnes (effective 29 June 2017 to 28 June 2018); on vinyl chloride-vinyl acetate copolymers (NCM 3904.30.00), under an import quota of 5,000 tonnes (effective 29 June 2017 to 28 June 2018); on acrylic polymers in primary forms (*poli(acrilato de potássio)*) (NCM 3906.90.49), under an import quota of 460 tonnes (effective 29 June 2017 to 28 June 2018); on certain acrylic polymers in primary forms (NCM 3906.90.49), under an import quota of 10,000 tonnes (effective 29 June 2017 to 28 June 2018); on caustic soda in aqueous solution (soda lye or liquid soda) (NCM 2815.12.00), under an import quota of 180,000 tonnes (effective 7 July 2017 to 6 July 2018); on acrylic or modacrylic (NCM 5503.30.00), under an import quota of 9,000 tonnes (effective 14 August 2017 to 13 August 2018); on certain amine function compounds (NCM 2921.19.23), under an import quota of 26,282 tonnes (effective 14 August 2017 to 13 August 2018); on casein (NCM 3501.10.00), under an import quota of 950 tonnes (effective 14 August 2017 to 13 February 2018); on shelled walnuts (NCM 0802.22.00), under an import quota of 5,000 tonnes (effective 14 August 2017 to 13 August 2018); on tunas, skipjack and bonito (NCM 1604.14.20), under an import quota of 3,000 tonnes (effective 14 August 2017 to 13 August 2018); on yarn of viscose rayon, untwisted or with a twist not exceeding 120 turns per metre (NCM 5403.31.00), under an import quota of 1,249 tonnes (effective 20 September 2017 to 19 September 2018). Elimination of import tariffs on undenatured ethyl alcohol of an alcoholic strength by volume of 80% vol or higher and ethyl alcohol and other spirits, denatured, of any strength (NCM 2207.10.10; 2207.20.11), under an import quota of 1.2 billion litres (effective 1 September 2017 to 31 August 2018)	Permanent Delegation of Brazil to the WTO (23 October 2017), Camex Resolution Nos. 41/2017 (27 June 2017), 49/2017 (5 July 2017), 59/2017, 61/2017 (11 August 2017), 72/2017 (29 August 2017) and Secex Portaria Nos. 23/2017 (29 June 2017), 25/2017 (10 July 2017), 29/2017, 30/2017 (15 August 2017), 32/2017 (1 September 2017) and 35/2017 (21 September 2017)	Effective: see individual dates in measure

Measure	Source/Date	Status
Temporary reduction (to 2%) of import tariffs on 790 capital goods tariff lines (NCM Chapters 84; 85; 86; 87; 89; 90) and 93 informatics and telecommunications goods tariff lines. Temporary elimination of import tariffs on 312 capital goods tariff lines and 6 informatics and telecommunications goods tariff lines, through the "ex-out" regime (mechanism designed to temporarily reduce import tariffs on capital goods and informatics and telecommunications equipment not locally produced)	Permanent Delegation of Brazil to the WTO (23 October 2017) and Camex Resolution Nos. 50/2017, 51/207 (5 July 2017), 69/2017 and 70/2017 (21 August 2017)	Effective as of July 2017/ August 2017 to 30 June 2019
Elimination of import tariffs (from 2%) on saturated acyclic hydrocarbons (*etano*) (NCM 2901.10.00) (effective 20 July 2017), and on certain petroleum resins (NCM 3911.90.29) (effective 2 August 2017)	Permanent Delegation of Brazil to the WTO (23 October 2017) and Camex Resolution Nos. 55/2017 (20 July 2017) and 57/2017 (2 August 2017)	Effective: see individual dates in measure
Canada		
Further reduction of import tariffs under the Expansion of the Information Technology Agreement (ITA) (56 tariff lines at 8-digit level, in HS Chapters 35; 37; 39; 84; 85; 88; 90)	WTO document G/MA/W/117/Add.3, 28 January 2016	Effective 1 July 2017
China		
Further reduction of import tariffs under the Expansion of the Information Technology Agreement (ITA) (253 tariff lines at 8-digit level, in HS Chapters 32; 35; 37; 39; 49; 59; 84; 85; 88; 90)	WTO document G/MA/W/117/Add.4, 28 January 2016	Effective 1 July 2017
Reduction of the VAT (from 13% to 11%) on imports of certain products, e.g. agricultural products (including grains), edible vegetable oil, tap water, liquefied petroleum gas, natural gas, air conditioning equipment, coal/charcoal for household uses, edible salt, agricultural machinery, feed, pesticides, fertilizers, biogas, methyl ether, books, newspapers, magazines, audio and video products	Permanent Delegation of China to the WTO (20 October 2017)	Effective 1 July 2017
European Union		
Further reduction of import tariffs under the Expansion of the Information Technology Agreement (ITA) (131 tariff lines at 8-digit level, in HS Chapters 35; 37; 39; 59; 84; 85; 88; 90)	WTO document G/MA/W/117/Add.7, 28 January 2016	Effective 1 July 2017
India		
Elimination of the "additional duty rate" (CVD) on gold coins having a gold content not below 99.5 and gold findings (restored on 1 December 2016)	Permanent Delegation of India to the WTO (18 October 2017)	Effective 1 July 2017
Japan		
Reduction of import tariffs under the Expansion of the Information Technology Agreement (ITA) (7 tariff lines at 6-digit level, in HS Chapters 32; 35; 39; 59)	Permanent Delegation of Japan to the WTO (20 October 2017) and WTO document G/MA/W/117/Add.12, 28 January 2016	Effective 16 May 2017, with all covered tariffs to be phased out by no later than 1 July 2019
Korea, Rep. of		
Further reduction of import tariffs under the Expansion of the Information Technology Agreement (ITA) (443 tariff lines at 10-digit level, in HS Chapters 32; 35; 37; 39; 63; 84; 85; 88; 90)	WTO document G/MA/W/117/Add.13, 28 January 2016	Effective 1 July 2017
Temporary elimination of import tariffs on eggs (HS 0407; 0408; 3502)	Permanent Delegation of the Republic of Korea to the WTO (24 October 2016)	Effective August 2017

Measure	Source/Date	Status
Russian Federation (for Eurasian Economic Union)		
Temporary elimination (from 5%) of import tariffs on paints and varnishes used for the leather and footwear industries (effective 2 September 2017 to 31 August 2019); on tanning substances, tanning preparations, whether or not containing natural tanning substances, enzymatic preparations for pre-tanning (effective 1 September 2017 to 30 June 2019); on lead ores and concentrates containing not less than 45% by weight of lead (effective 25 May 2017 to 24 May 2019); on parts for the production of bicycles (effective 19 September 2017 to 31 August 2020); and (from 6.5%) on platicised poly(vinyl chloride) and certain acrylic polymers in primary forms (effective 14 October 2017 to 31 August 2018); (from 5%) on certain synthetic filament yarn (other than sewing thread) (effective 14 October 2017 to 31 July 2019); on concrete or mortar mixers (effective 26 May 2017); on glass rods (effective 7 September 2017 to 31 August 2019) (HS 3210.00.90; 3202.90.00; 2607.00.00; 4011.50.00; 4013.20.00; 7315.11.10; 8714.91.10; 8714.93.00; 8714.94.20; 8714.96.10; 8714.96.30; 8714.99.50; 8714.99.90; 904.22.00; 3906.90.90; 5402.19.00; 8474.31.00; 7002.20.10)	Permanent Delegation of the Russian Federation to the WTO (24 October 2017)	Effective: see individual dates in measure
Implementation of the Eurasian Common Customs Tariffs resulting in the decrease of import tariffs in accordance with the obligations of the Russian Federation in the WTO on certain products: e.g. fish and crustaceans; edible fruit and nuts; cereals; preparations of vegetables, fruit, nuts or other parts of plants; organic chemicals; plastics and articles thereof; rubber and articles thereof; articles of apparel and clothing accessories; machinery and mechanical appliances, parts thereof; certain vehicles; eggs, natural honey, edible products of animal origin, edible vegetables; beverages; perfumery and cosmetics; clocks and watches and parts thereof; furniture, bedding, mattresses, lamps and lighting fittings, prefabricated buildings (HS Chapters 3; 4; 5; 7; 8; 10; 20; 22; 29; 33; 39; 40; 62; 84; 87; 91; 94)	Permanent Delegation of the Russian Federation to the WTO (24 October 2017)	Effective 1 September 2017
South Africa (for Southern African Customs Union)		
Elimination of import tariffs on rack and pinion steering assemblies (excluding certain power-assisted types) (HS 8708.94.20) (effective 1 September 2017); and (from 15%) on thermal transfer printing ribbons in cartridges (HS 9612.10.10) (effective 6 October 2017)	Permanent Delegation of South Africa to the WTO (20 October 2017) and International Trade Administration Commission Notice Nos. R. 948 Government Gazette No. 41083 (1 September 2017) and R. 1082 Government Gazette No. 41165 (6 October 2017)	Effective: see individual dates in measure
Turkey		
Termination of registration requirements on exports of aluminium waste and scrap (HS 7602) (originally implemented on 21 April 2011)	Permanent Delegation of Turkey to the WTO (24 October 2017)	Effective 11 July 2017
Decrease of import tariffs on certain products, e.g. (from 135% to 26%) on live bovine animals for slaughter; (from 100% to 40%) on bovine carcass meat; (from 130% to 45%) on wheat; (from 130% to 35%) on barley; and (from 130% to 25%) on maize (HS 0102; 0201; 0202; 1001; 1003; 1005)	Permanent Delegation of Turkey to the WTO (24 October 2017)	Effective 27 June 2017

Measure	Source/Date	Status
United States of America		
Further reduction of import tariffs under the Expansion of the Information Technology Agreement (ITA) (92 tariff lines at 8-digit level, in HS Chapters 32; 35; 37; 39; 85; 90; 94)	WTO document G/MA/W/117/Add.24, 28 January 2016	Effective 1 July 2017

Recorded, but non-confirmed information[3]

Measure	Source/Date	Status
Indonesia		
Temporary elimination of the export ban on certain light processed minerals, e.g. copper concentrates, low-grade nickel ore and washed bauxite	The Jakarta Post (16 August 2017)	

[3] This Section includes information which has been obtained from public sources but has not yet been confirmed by the delegation concerned.

ANNEX 2

TRADE REMEDIES[1]

(MID-MAY 2017 to MID-OCTOBER 2017)

Confirmed information[2]

Measure	Source/Date	Status
Argentina		
Initiation on 20 May 2017 of anti-dumping investigation on imports of ceramic sanitary ware (NCM 6910.10.00; 6910.90.00) from China	WTO document G/ADP/N/300/ARG, 24 August 2017	
Termination on 16 June 2017 (without measure) of anti-dumping investigation on imports of certain polymers of propylene plates, sheets, film, foil and strip, non-cellular and not reinforced, laminated, supported or similarly combined with other materials (NCM 3920.20.90) from Peru (investigation initiated on 13 April 2016)	WTO document G/ADP/N/300/ARG, 24 August 2017	
Termination on 20 July 2017 of anti-dumping duties on imports of paper and paperboard, coated on one or both sides with kaolin (China clay) or other inorganic substances, with or without a binder, and with no other coating, whether or not surface-coloured, surface-decorated or printed, in rolls or rectangular (including square) sheets, of any size (NCM 4810.13.89; 4810.13.90; 4810.19.89; 4810.19.90) from Finland (investigation initiated on 15 December 2010. Provisional and definitive duties imposed on 20 March and 14 June 2012)	WTO document G/ADP/N/230/ARG, 4 October 2012; and Resolución No. 316-E/2017 Ministerio de Producción (19 July 2017)	
Initiation on 4 September 2017 of anti-dumping investigation on imports of emergency lighting equipment (*aparatos para iluminación de emergencia*) (NCM 9405.10.99) from China	Permanent Delegation of Argentina to the WTO (20 October 2017) and Resolución Secretaría de Comercio No. 665-E/2017 Ministerio de Producción (31 August 2017)	
Initiation on 12 September 2017 of anti-dumping investigation on imports of textured yarn of polyesters (NCM 5402.33.00) from India and Indonesia	Permanent Delegation of Argentina to the WTO (20 October 2017) and Resolución Secretaría de Comercio No. 677-E/2017 Ministerio de Producción (7 September 2017)	
Australia		
Termination on 24 May 2017 (without measure) of countervailing investigation on imports of aluminium extrusions (HS 7604.10.00; 7604.21.00; 7604.29.00; 7608.10.00; 7608.20.00; 7610.10.00; 7610.90.00) from Viet Nam (investigation initiated on 16 August 2016)	WTO document G/SCM/N/321/AUS, 28 August 2017	
Initiation on 7 June 2017 of anti-dumping investigation on imports of steel rod in coils (HS 7213.91.00; 7227.90.90) from Indonesia; Korea, Rep. of and Viet Nam	WTO document G/ADP/N/300/AUS, 28 August 2017	
Initiation on 8 June 2017 of anti-dumping investigation on imports of certain wind towers (HS 7308.20.00; 7308.90.00; 8502.31.10) from Viet Nam	WTO document G/ADP/N/300/AUS, 28 August 2017	

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

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

Measure	Source/Date	Status
Initiation on 27 June 2017 of anti-dumping investigation on imports of steel reinforcing bar (HS 7213.10.00; 7214.20.00; 7227.90.10; 7227.90.90; 7228.30.10; 7228.30.90; 7228.60.10) from Greece, Indonesia, Spain, Chinese Taipei and Thailand	WTO document G/ADP/N/300/AUS, 28 August 2017	
Termination on 17 July 2017 (without measure) of countervailing investigation on imports of zinc coated (galvanized) steel (HS 7210.49.00; 7212.30.00; 7225.92.00; 7226.99.00) from Viet Nam (investigation initiated on 7 October 2016)	Permanent Delegation of Australia to the WTO (20 October 2017) and Australia Customs Dumping Notice No. 2017/98 (17 July 2017)	
Termination on 12 September 2017 of anti-dumping duties on imports of hollow structural sections "HSS" (HS 7306.30.00; 7306.50.00; 7306.61.00; 7306.69.00; 7306.90.00) from India and the United Arab Emirates (investigation initiated on 22 December 2015, provisional duty imposed on 22 February 2016 and terminated on 25 July 2016. On 28 January 2017, the investigation was resumed)	Permanent Delegation of Australia to the WTO (20 October 2017) and Australia Customs Dumping Notice No. 2017/129 (12 September 2017)	
Brazil		
Initiation on 26 June 2017 of anti-dumping investigation on imports of nitrile rubber (NBR), not hydrogenated (HS 4002.59.00) from France and Korea, Rep. of	WTO document G/ADP/N/300/BRA, 2 October 2017	
Initiation on 3 July 2017 of anti-dumping investigation on imports of grinding balls and similar articles for mills (HS 7325.91.00) from India	Permanent Delegation of Brazil to the WTO (23 October 2017) and Secex Circular No. 39/2017 (30 June 2017)	
Temporary suspension on 7 July 2017 of anti-dumping duties on imports of vacuum flasks (NCM 9617.00.10) from China (imposed on 21 July 1999)	Permanent Delegation of Brazil to the WTO (23 October 2017)	
Termination on 9 August 2017 of anti-dumping duties on imports of calcium phosphate monobasic monohydrate (NCM 2835.26.00) from Argentina (imposed on 10 October 2005)	Permanent Delegation of Brazil to the WTO (23 October 2017) and Secex Circular No. 44/2017 (8 August 2017)	
Initiation on 2 October 2017 of countervailing investigation on imports of grinding balls and similar articles for mills (HS 7325.91.00) from India	Permanent Delegation of Brazil to the WTO (23 October 2017) and Secex Circular No. 51/2017 (29 September 2017)	
Canada		
Termination on 5 July 2017 (without measure) of anti-dumping investigation on imports of certain silicon metals (HS 2804.69.00) from the Russian Federation (investigation initiated on 20 February 2017)	WTO document G/ADP/N/300/CAN, 15 September 2017	
Initiation on 8 June 2017 of anti-dumping investigation on imports of certain carbon and alloy steel line pipe (HS 7304.19.00; 7305.11.00; 7305.12.00; 7305.19.00; 7306.19.00) from Korea, Rep. of	WTO document G/ADP/N/300/CAN, 15 September 2017; Permanent Delegation of Canada to the WTO (20 October 2017) and Canada Border Service Agency Notice LP2 2017 IN (6 September 2017)	Provisional duty imposed on 6 September 2017
Initiation on 18 August 2017 of anti-dumping investigation on imports of certain polyethylene terephthalate (PET resin) (HS 3907.61.00; 3907.69.00) from China, India, Oman and Pakistan	Permanent Delegation of Canada to the WTO (20 October 2017) and Canada Border Service Agency Notice PETR 2017 IN (18 August 2017)	

Measure	Source/Date	Status
Initiation on 18 August 2017 of countervailing investigation on imports of certain polyethylene terephthalate (PET resin) (HS 3907.61.00; 3907.69.00) from China, India, Oman and Pakistan	Permanent Delegation of Canada to the WTO (20 October 2017) and Canada Border Service Agency Notice PETR 2017 IN (18 August 2017)	
Termination on 3 October 2017 of anti-dumping duties on imports of certain silicon metals (HS 2804.69.00) from Norway (investigation initiated on 20 February 2017 and provisional duty imposed on 5 July 2017)	Permanent Delegation of Canada to the WTO (20 October 2017) and Canada Border Service Agency Notice SM2 2017 IN (3 October 2017)	
Termination on 3 October 2017 of countervailing duties on imports of certain silicon metals (HS 2804.69.00) from Thailand (investigation initiated on 20 February 2017 and provisional duty imposed on 5 July 2017)	Permanent Delegation of Canada to the WTO (20 October 2017) and Canada Border Service Agency Notice SM2 2017 IN (3 October 2017)	
China		
Termination on 21 May 2017 of anti-dumping duties on imports of catechol (HS 2907.29.10) from Japan and the United States (imposed on 22 May 2006)	WTO document G/ADP/N/300/CHN, 4 August 2017	
Initiation on 8 June 2017 of anti-dumping investigation on imports of meta phenoxy benzaldehyde (HS 2912.49.90) from India	WTO document G/ADP/N/300/CHN, 4 August 2017	
Initiation on 23 June 2017 of anti-dumping investigation on imports of styrene (HS 2902.50.00) from Korea, Rep. of; Chinese Taipei and the United States	WTO document G/ADP/N/300/CHN, 4 August 2017	
Termination on 27 June 2017 of anti-dumping duties on imports of epichlorohydrin (HS 2910.30.00) from Japan; Korea, Rep. of; Russian Federation and the United States (imposed on 28 June 2006)	WTO document G/ADP/N/300/CHN, 4 August 2017	
Initiation on 18 August 2017 of anti-dumping investigation on imports of broiler products (HS 0207; 0504) from Brazil	Permanent Delegation of China to the WTO (20 October 2017) and MOFCOM Announcement No. 39/2017 (18 August 2017)	
Initiation on 30 August 2017 of anti-dumping investigation on imports of halogenated butyl rubber (HS 4002.39.10; 4002.39.90) from the European Union, Singapore and the United States	Permanent Delegation of China to the WTO (20 October 2017) and MOFCOM Announcement No. 45/2017 (30 August 2017)	
Termination on 12 October 2017 of anti-dumping duties on imports of polyurethane (HS 5402) from Japan; Korea, Rep. of; Singapore; Chinese Taipei and the United States (imposed on 13 October 2006)	Permanent Delegation of China to the WTO (20 October 2017) and MOFCOM Announcement No. 54/2017 (14 October 2017)	
European Union		
Termination on 7 June 2017 (without measure) of anti-dumping investigation on imports of purified terephthalic acid and its salts (HS 2917.36.00) from Korea, Rep. of (investigation initiated on 3 August 2016)	WTO document G/ADP/N/300/EU, 19 October 2017	
Initiation on 23 June 2017 of anti-dumping investigation on imports of low carbon-ferro-chrome (HS 7202.49.50) from China, Russian Federation and Turkey	WTO document G/ADP/N/300/EU, 19 October 2017	
Initiation on 2 August 2017 of anti-dumping investigation on imports of ferro-silicon (HS 7202.21.00; 7202.29.10; 7202.29.90) from Egypt and Ukraine	Commission Notice 2017/C 251/04 (2 August 2017)	
Initiation on 11 August 2017 of anti-dumping investigation on imports of new and retreaded tyres for buses (HS 4011.20.90; 4012.12.00) from China	Commission Notice 2017/C 264/13 (11 August 2017)	

Measure	Source/Date	Status
Termination on 6 October 2017 (without measure) of anti-dumping investigation on imports of certain hot-rolled flat products of iron, non-alloy or other alloy steel (HS 7208.10.00; 7208.25.00; 7208.26.00; 7208.27.00; 7208.36.00; 7208.37.00; 7208.38.00; 7208.39.00; 7208.40.00; 7208.52.99; 7208.53.90; 7208.54.00; 7211.14.00; 7211.19.00; 7225.19.10; 7225.30.10; 7225.30.30; 7225.30.90; 7225.40.12; 7225.40.15; 7225.40.60; 7225.40.90; 7226.19.10; 7226.20.00; 7226.91.20; 7226.91.91; 7226.91.99) from Serbia (initiated on 7 July 2016)	Commission Implementing Regulation No. 2017/1795 (5 October 2017)	
Initiation on 14 October 2017 of countervailing investigation on imports of new and retreaded tyres for buses or lorries (HS 4011.20.90; 4012.12.20) from China	Commission Notice 2017/C 346/10 (14 October 2017)	
India		
Termination on 28 May 2017 of anti-dumping duties on imports of aniline (HS 2921.41) from the European Union (investigation initiated on 20 December 2010 and definitive duty imposed on 29 May 2012)	WTO document G/ADP/N/300/IND, 9 October 2017	
Initiation on 1 June 2017 of anti-dumping investigation on imports of dioctyl phthalate "DOP" (HS 2917.39.20) from Korea, Rep. of and Chinese Taipei	WTO document G/ADP/N/300/IND, 9 October 2017	
Termination on 14 June 2017 of anti-dumping investigation on imports of hydrogen peroxide (HS 2847.00.00) from Indonesia (investigation initiated on 14 January 2016)	WTO document G/ADP/N/300/IND, 9 October 2017	
Initiation on 15 June 2017 of anti-dumping investigation on imports of high tenacity polyester yarn (HS 5402.20.90) from China	WTO document G/ADP/N/300/IND, 9 October 2017	
Termination on 19 June 2017 of anti-dumping duties on imports of pentaerythritol (HS 2905.42.00) from the European Union (excluding Sweden) (investigation initiated on 11 January 2011 and definitive duty imposed on 20 June 2012)	WTO document G/ADP/N/300/IND, 9 October 2017	
Initiation on 4 July 2017 of anti-dumping investigation on imports of sodium dichromate (HS 2841.30.00) from Kazakhstan, Russian Federation, South Africa and Turkey	Permanent Delegation of India to the WTO (28 September 2017) and Notification No. 6/4/2017-DGAD, Case No. O.I/09/2017 - Ministry of Commerce and Industry - Directorate General of Anti-Dumping and Allied Duties (4 July 2017)	
Initiation on 21 July 2017 of anti-dumping investigation on imports of solar cells, whether or not assembled, partially or fully, in modules or panels, or on glass or some other suitable substrates (HS 8541.40.11) from China, Malaysia and Chinese Taipei	Permanent Delegation of India to the WTO (28 September 2017), Notification No. 6/30/2017-DGAD, Case No. OI/33/2017 - Ministry of Commerce and Industry - Directorate General of Anti-Dumping and Allied Duties (21 July 2017)	
Initiation on 22 August 2017 of anti-dumping investigation on imports of nylon filament yarn (multi-filament) (HS 5402.10) from the European Union and Viet Nam	Permanent Delegation of India to the WTO (28 September 2017) and Notification No. 14/33/2016-DGAD - Ministry of Commerce and Industry - Directorate General of Anti-Dumping and Allied Duties (22 August 2017)	

Measure	Source/Date	Status
Initiation on 23 August 2017 of anti-dumping investigation on imports of belting fabric (HS 5910.00) from China	Permanent Delegation of India to the WTO (28 September 2017) and Notification No. 14/35/2016-DGAD - Ministry of Commerce and Industry - Directorate General of Anti-Dumping and Allied Duties (23 August 2017)	
Initiation on 22 September 2017 of anti-dumping investigation on imports of straight length bars and rods of alloy steel (HS 7228; 7214; 7215) from China	Notification No. 6/10/2017-DGAD – (Case No. O.I. 16/2017) Ministry of Commerce and Industry - Directorate General of Anti-Dumping and Allied Duties (22 September 2017)	
Korea, Rep. of		
Initiation on 10 July 2017 of anti-dumping investigation on imports of coated printing paper (HS 4802.55.10; 4802.57.10; 4810.13.10; 4810.14.10; 4810.19.10; 4810.22.00) from China, Japan and Finland	Permanent Delegation of the Republic of Korea to the WTO (24 October 2016)	
Mexico		
Initiation on 26 June 2017 of anti-dumping investigation on imports of foil balloons (HS 9503.00.23; 9505.90.99) from China	WTO document G/ADP/N/300/MEX, 31 August 2017	
Initiation on 10 August 2017 of anti-dumping investigation on imports of polybutadiene-styrene rubber in emulsion "SBR" (HS 4002.19.01; 4002.19.02; 4002.19.03; 4002.19.99) from Japan; Korea, Rep. of; Poland and the United States	Permanent Delegation of Mexico to the WTO (28 September 2017) and Diario Oficial de la Federación (Official Journal), 10 August 2017	
Initiation on 10 August 2017 of anti-dumping investigation on imports of micro-wire for welding (HS 7229.20.01; 7229.90.99; 8311.90.01) from China	Permanent Delegation of Mexico to the WTO (28 September 2017) and Diario Oficial de la Federación (Official Journal), 10 August 2017	
Saudi Arabia, Kingdom of (for the Gulf Cooperation Council)		
Initiation on 20 September 2017 of safeguard investigation on imports of prepared additives for cements, mortars or concretes (chemical plasticizers) (HS 3824.40.00)	WTO documents G/SG/N/6/BHR/3, 3 October 2017	
South Africa (for Southern African Customs Union)		
Termination on 29 September 2017 (without measure) of safeguard investigation on imports of flat-rolled products of iron or non-alloy steel (HS 7209.15; 7209.16; 7209.17; 7209.18; 7225.50; 7226.92) (initiated on 29 July 2016)	WTO document G/SG/N/9/ZAF/2, 6 October 2017	
Termination on 26 July 2017 of anti-dumping duties on drawn and float glass (HS 7005.29.05) from Indonesia (imposed on 3 October 2006)	Permanent Delegation of South Africa to the WTO (20 October 2017 and International Trade Administration Commission Notice No. R. 1083 - Government Gazette No. 41165 (6 October 2017)	
Turkey		
Initiation on 17 June 2017 of safeguard investigation on imports of poly(ethylene terephthalate) (HS 3907.61.00)	WTO document G/SG/N/6/TUR/16/Suppl.1, 23 June 2017	

Measure	Source/Date	Status
United States of America		
Initiation on 16 May 2017 of anti-dumping investigation on imports of certain cold-drawn mechanical tubing of carbon and alloy steel (HS 7304.31.30; 7304.31.60; 7304.51.10; 7304.51.50; 7306.30.50; 7306.50.50; 7306.30.10; 7306.50.10) from China; Germany; India; Italy; Korea, Rep. of and Switzerland	WTO document G/ADP/N/300/USA, 6 September 2017	
Initiation on 16 May 2017 of countervailing investigation on imports of certain cold-drawn mechanical tubing of carbon and alloy steel (HS 7304.31.30; 7304.31.60; 7304.51.10; 7304.51.50; 7306.30.50; 7306.50.50; 7306.30.10; 7306.50.10) from China and India	WTO document G/SCM/N/321/USA, 3 October 2017	
Initiation on 17 May 2017 of safeguard investigation on imports of crystalline silicon photovoltaic cells (whether or not partially or fully assembled into other products) (HS 8541.40.60; 8501.61.00; 8507.20.80; 8501.31.80)	WTO documents G/SG/N/6/USA/11, 29 May 2017 and G/SG/N/8/USA/9, 4 October 2017	
Initiation on 26 May 2017 of anti-dumping investigation on imports of 100- to 150-seat large civil aircraft (HS 8802.40.00) from Canada	WTO document G/ADP/N/300/USA, 6 September 2017	
Initiation on 26 May 2017 of countervailing investigation on imports of 100- to 150-seat large civil aircraft (HS 8802.40.00) from Canada	WTO document G/SCM/N/321/USA, 3 October 20172017; and Department of Commerce, International Trade Administration C-122-860, Federal Register/Vol. 82 FR No. 45807 (2 October 2017)	Provisional duty imposed on 2 October 2017
Termination on 1 June 2017 of anti-dumping duties on imports of certain frozen warmwater shrimp (HS 0306.17) from Brazil (imposed on 1 February 2005)	WTO document G/ADP/N/300/USA, 6 September 2017	
Initiation on 5 June 2017 of safeguard investigation on imports of large residential washers "LRWs" (HS 8450.20.00; 8450.11.00; 8450.90.20; 8450.90.60)	WTO document G/SG/N/6/USA/12, 12 June 2017	
Initiation on 27 June 2017 of anti-dumping investigation on imports of fine denier polyester staple fibre (HS 5503.20.00) from China; India; Korea, Rep. of; Chinese Taipei and Viet Nam	WTO document G/ADP/N/300/USA, 6 September 2017; and Department of Commerce, International Trade Administration A-552-822 Federal Register/Vol 82 FR No. 33480 (20 July 2017)	Terminated on 20 July 2017 on imports from Viet Nam
Initiation on 27 June 2017 of countervailing investigation on imports of fine denier polyester fibre (HS 5503.20.00) from China and India	WTO document G/SCM/N/321/USA, 3 October 2017	
Initiation on 30 June 2017 of anti-dumping investigation on imports of citric acid and certain citrate salts (HS 2918.14.00; 2918.15.10; 2918.15.50; 3824.99.92) from Belgium, Colombia and Thailand	WTO document G/ADP/N/300/USA, 6 September 2017	
Initiation on 30 June 2017 of countervailing investigation on imports of citric acid and certain citrate salts (HS 2918.14.00; 2918.15.10; 2918.15.50; 3824.99.92) from Thailand	WTO document G/SCM/N/321/USA, 3 October 2017	
Initiation on 12 July 2017 of anti-dumping investigation on imports of ripe olives (HS 2005.70.20; 2005.70.04; 2005.70.50; 2005.70.60; 2005.70.70; 2005.70.75; 2005.70.06; 2005.70.08; 2005.70.12; 2005.70.16; 2005.70.18; 2005.70.23; 2005.70.25; 2005.70.91; 2005.70.93; 2005.70.97) from Spain	Department of Commerce, International Trade Administration A-469-817 Federal Register/Vol 82 FR No. 33054 (19 July 2017)	

Measure	Source/Date	Status
Initiation on 12 July 2017 of countervailing investigation on imports of ripe olives (HS 2005.70.20; 2005.70.04; 2005.70.50; 2005.70.60; 2005.70.70; 2005.70.75; 2005.70.06; 2005.70.08; 2005.70.12; 2005.70.16; 2005.70.18; 2005.70.23; 2005.70.25; 2005.70.91; 2005.70.93; 2005.70.97) from Spain	Department of Commerce, International Trade Administration C-469-818 Federal Register/Vol 82 FR No. 33050 (19 July 2017)	
Initiation on 17 July 2017 of anti-dumping investigation on imports of low melt polyester staple fibre (HS 5503.20.00) from Korea, Rep. of and Chinese Taipei	Department of Commerce, International Trade Administration A-580-895 and A-583-861 Federal Register/Vol 82 FR No. 34277 (24 July 2017)	
Initiation on 18 July 2017 of anti-dumping investigation on imports of certain tapered roller bearings (HS 8482.20.00; 8482.91.00; 8482.99.15; 8482.99.45) from Korea, Rep. of	Department of Commerce, International Trade Administration A-580-894 Federal Register/Vol 82 FR No. 34477 (25 July 2017)	
Termination on 22 July 2017 of anti-dumping duties on imports of oil country tubular goods "OCTG" (HS 7304.29.10; 7304.29.20; 7304.29.31; 7304.29.41; 7304.29.50; 7304.29.61; 7304.39.00; 7304.59.60; 7304.59.80; 7305.20.20; 7305.20.40; 7305.20.60; 7305.20.80; 7305.31.40; 7305.31.60; 7306.29.10; 7306.29.20; 7306.29.31; 7306.29.41; 7306.29.60; 7306.29.81; 7306.30.50; 7306.50.50) from Chinese Taipei (investigation initiated on 29 July 2013, provisional and definitive duties imposed on 25 February and 10 September 2014)	Department of Commerce, International Trade Administration A-583-850 Federal Register/Vol 82 FR No. 35181 (28 July 2017)	(Not terminated duties imposed on imports from India and the Republic of Korea)
Initiation on 2 August 2017 of anti-dumping investigation on imports of cast iron soil pipe fittings (HS 7307.11.00) from China	Department of Commerce, International Trade Administration A-570-062 Federal Register/Vol 82 FR No. 37053 (8 August 2017)	
Initiation on 2 August 2017 of countervailing investigation on imports of cast iron soil pipe fittings (HS 7307.11.00) from China	Department of Commerce, International Trade Administration C-570-063 Federal Register/Vol 82 FR No. 37048 (8 August 2017)	
Initiation on 1 September 2017 of anti-dumping investigation on imports of certain uncoated groundwood paper (HS 4801.00.01; 4802.61.10; 4802.61.20; 4802.61.31; 4802.61.60; 4802.62.10; 4802.62.20; 4802.62.30; 4802.62.61; 4802.69.10; 4802.69.20; 4802.69.30; 4805.91.50; 4805.91.70; 4805.91.90) from Canada	Department of Commerce, International Trade Administration A-122-861 Federal Register/Vol 82 FR No. 41599 (1 September 2017)	
Initiation on 1 September 2017 of countervailing investigation on imports of certain uncoated groundwood paper (HS 4801.00.01; 4802.61.10; 4802.61.20; 4802.61.31; 4802.61.60; 4802.62.10; 4802.62.20; 4802.62.30; 4802.62.61; 4802.69.10; 4802.69.20; 4802.69.30; 4805.91.50; 4805.91.70; 4805.91.90) from Canada	Department of Commerce, International Trade Administration C-122-862 Federal Register/Vol 82 FR No. 41603 (1 September 2017)	
Initiation on 11 September 2017 of anti-dumping investigation on imports of stainless steel flanges (HS 7307.21.10; 7307.21.50) from China and India	Department of Commerce, International Trade Administration A-533-877 and A-570-064, Federal Register/Vol 82 FR No. 42649 (11 September 2017)	

Measure	Source/Date	Status
Initiation on 11 September 2017 of countervailing investigation on imports of stainless steel flanges (HS 7307.21.10; 7307.21.50) from China and India	Department of Commerce, International Trade Administration C-533-878 and C-570-065, Federal Register/Vol 82 FR No. 42654 (11 September 2017)	
Initiation on 13 September 2017 of anti-dumping investigation on imports of titanium sponge (HS 8108.20.00) from Japan and Kazakhstan	Department of Commerce, International Trade Administration A-588-877 and A-834-809, Federal Register/Vol 82 FR No. 43939 (20 September 2017)	
Initiation on 13 September 2017 of countervailing investigation on imports of titanium sponge (HS 8108.20.00) from Kazakhstan	Department of Commerce, International Trade Administration C-834-810, Federal Register/Vol 82 FR No. 43936 (20 September 2017)	

ANNEX 3

OTHER TRADE AND TRADE-RELATED MEASURES[1]

(MID-MAY 2017 to MID-OCTOBER 2017)

Confirmed information[2]

Measure	Source/Date	Status
Argentina		
Amendments introduced in the implementation of automatic import licensing requirements through the "*Sistema Integral de Monitoreo de Importaciones*" (SIMI) for all imports, except for certain tariff lines, e.g. those continuing to require non-automatic import licensing requirements	Permanent Delegation of Argentina to the WTO (20 October 2017) and Resolución Secretaría de Comercio No. 523-E/2017 Ministerio de Producción (5 July 2017), and No. 292-E/2017 Ministerio de Producción (5 July 2017)	Effective 8 July 2017
Updated list of "reference values" for exports of milk and cream in powder not containing added sugar or other sweetening matter (NCM 0402.21.10; 1901.90.90), for certain specified destinations	Permanent Delegation of Argentina to the WTO (20 October 2017) and Administración Federal de Ingresos Públicos - Resolución General No. 4092-E (12 July 2017)	Effective 14 July 2017
Further extension of the increase of import tariffs (from 20% to 35%) on certain products, i.e. fruits, coffee, prepared foodstuffs, beverages, tobacco, organic chemicals, chemical products, rubber, wood, articles of wood, cork, footwear, ceramic products, articles of iron or steel, articles of base metal, machinery and mechanical appliances, electrical equipment, motorcycles, musical instruments, and miscellaneous manufactured articles (100 tariff lines at 8-digit level) (NCM Chapters 08; 09; 15; 21; 22; 23; 24; 29; 33; 36; 38; 40; 44; 45; 64; 68; 69; 71; 73; 82; 83; 84; 85; 87; 89; 90; 92; 94; 95; 96), following Mercosur Decision No. 39/11 (special authorization to increase the Mercosur Common Tariff applied rates on 100 tariff lines) (originally implemented on 23 January 2013 and renewed on 25 September 2014)	Permanent Delegation of Argentina to the WTO (20 October 2017) and Decreto No. 674/2017 Comercio Exterior (24 August 2017)	Effective 25 August 2017
Australia		
Australian Domestic Gas Security Mechanism establishing temporary exports restrictions on liquefied natural gas (LNG) (HS 2711.11.10), due to shortage of domestic gas supplies	Permanent Delegation of Australia to the WTO (20 October 2017)	Effective 1 July 2017
Brazil		
Creation of new tariff lines resulting in the increase of import tariffs (from 2% to 12%) on stearyl alcohol and certain esters of acetic acid (*n-propila*) (NCM 2905.17.30; 2915.39.31); (from 8% to 12%) on titanium dioxide (NCM 3206.11.11); and (from 2% to 16%) on certain tubes and pipes of iron (other than cast iron) or steel of a diameter lower or equal to 229 mm (NCM 7304.59.10)	Permanent Delegation of Brazil to the WTO (23 October 2017) and Camex Resolution No. 35/2017 (5 May 2017)	Effective 1 July 2017

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

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

Measure	Source/Date	Status
China		
VAT rebate rates decreased (from 13% to 11%) on exports of certain products, e.g. meat and edible meat offal; fish; products of animal origin; products of the milling industry; residues and waste from the food industries; salt; organic chemicals; pharmaceutical products; printed books; cotton; machinery and mechanical appliances; electrical machinery and equipment; vehicles; fishing vessels; factory ships and other vessels for processing or preserving fishery products (389 tariff lines in HS Chapters 02; 03; 05; 11; 23; 25; 29; 30; 49; 52; 84; 85; 87; 89; 98)	Permanent Delegation of China to the WTO (20 October 2017)	Effective 1 July 2017
India		
On 10 July 2017, increase of import tariffs (from 40% to 50%) on raw sugar, refined or white sugar (raw sugar if imported by bulk consumer) (HS 1701). On 7 September 2017, the import tariff was decreased to 25%, under certain conditions	Ministry of Finance - Department of Revenue Notifications Nos. 66/2017-Customs (10 July 2017) and 74/2017-Customs (7 September 2017)	
Increase of import tariffs (from 12.5% to 17.5%) on crude soya bean oil; (from 7.5% to 15%) on crude palm oil of edible grade; and (from 15% to 25%) on refined palm oil of edible grade (HS 1507.10.00; 1511.10.00; 1511.90.10; 1511.90.20; 1511.90.90)	Ministry of Finance - Department of Revenue Notification No. 71/2017-Customs (11 August 2017)	Effective 11 August 2017
Re-imposition of import tariffs (to 10%) on wheat (HS 1001) (temporary eliminated on 8 December 2016)	Permanent Delegation of India to the WTO (18 October 2017) and Notification Customs, Ministry of Finance - Department of Revenue Nos. 60/2016 (8 December 2016) and 50/2017 (30 June 2017)	Effective 1 June 2017
Japan		
Imposition of "tariff emergency measures" (applied tariff rate (38.5%) back to the bound tariff rate (50%)) on frozen beef (HS 0202)	Permanent Delegation of Japan to the WTO (20 October 2017)	Effective 1 August 2017 to 31 March 2018
Russian Federation		
Government Resolution of the Russian Federation No. 804 of 6 July 2017 established limitations on government procurement of foreign electronic products for State and municipal needs	Permanent Delegation of the Russian Federation to the WTO (24 October 2017)	Effective 19 July 2017
Russian Federation (for Eurasian Economic Union)		
Implementation of the Eurasian Common Customs Tariffs resulting in the increase of import tariffs in accordance with the obligations of the Russian Federation in the WTO on certain products: e.g. fish and crustaceans; edible fruit and nuts; cereals; preparations of vegetables, fruit, nuts or other parts of plants; organic chemicals; plastics and articles thereof; rubber and articles thereof; articles of apparel and clothing accessories; machinery and mechanical appliances, parts thereof; certain vehicles; eggs, natural honey, edible products of animal origin, edible vegetables; beverages; perfumery and cosmetics; clocks and watches and parts thereof; furniture, bedding, mattresses, lamps and lighting fittings, prefabricated buildings (HS Chapters 3; 4; 5; 7; 8; 10; 20; 22; 29; 33; 39; 40; 62; 84; 87; 91; 94)	Permanent Delegation of the Russian Federation to the WTO (24 October 2017)	Effective 1 September 2017

Measure	Source/Date	Status
South Africa (for Southern African Customs Union)		
Increase of import tariffs (from zero to 10%) on U, I or H sections of iron or non-alloy steel, not further worked than hot-rolled, hot-drawn or extruded, of a height of 80 mm or more (effective 4 August 2017); (from 15% to 30%) on stoves for gas fuel, having two or more plates with gas burners and a gas oven with a gross capacity not exceeding 100 litres (effective 25 August 2017); (from zero to 15%) on other chains (effective 1 September 2017); and (from zero to 30%) on gabions of wire netting. Imports from the European Union, EFTA and the Southern African Development Community (SADC) members exempted (HS 7216.31; 7216.32; 7216.33; 7216.50; 7321.11.10; 7315.82.01; 7315.82.03; 7315.82.05; 7315.82.07; 7315.82.90; 7326.11; 7326.20.10)	Permanent Delegation of South Africa to the WTO (20 October 2017), International Trade Administration Commission Notice Nos. R. 774 - Government Gazette No. 41023 (4 August 2017), R. 901 - Government Gazette No. 41065 (25 August 2017), R. 950 and R. 951 Government Gazette No. 41083 (1 September 2017)	Effective: see individual dates in measure
Turkey		
Increase of import tariffs on certain products, e.g. on sunglasses and its parts (29.8%) (effective 1 June 2017); (from 10% to 20%) on motorcycles, bicycles, wheels, bicycle and motorcycle parts (effective 28 July 2017); (from 10% to 20%) on boilers, (from 7.5% to 14.9%) on fuel-burner, on elevators (7.6%), on LED lamps (20%) (effective 17 August 2017); and (from 2.5% to 20%) on air, fuel and oil filters, tower cranes, tunnelling machines, laser processing machines, drilling machines (effective 17 August 2017) (HS Chapters 40; 84; 85; 87; 90)	Permanent Delegation of Turkey to the WTO (24 October 2017)	Effective: see individual dates in measure

Recorded, but non-confirmed information[3]

Measure	Source/Date	Status
United States of America		
"Buy America" initiative for pipeline companies, requiring them to purchase locally produced pipes and raw materials for the Keystone Pipelines and Dakota Access Pipelines projects	CNBC (30 January 2017), Oil Price.com (13 February 2017) and The White House - Office of the Press Secretary "Remarks by President Trump in Press Conference", East Room (16 February 2017). Viewed at: https://www.whitehouse.gov/the-press-office/2017/02/16/remarks-president-trump-press-conference	

[3] This Section includes information which has been obtained from public sources but has not yet been confirmed by the delegation concerned.

Measure	Source/Date	Status
The Executive Order (EO) on Buy American and Hire American requires U.S. federal agencies to "scrupulously monitor, enforce, and comply with Buy American Laws, to the extent they apply, and minimize the use of waivers, consistent with applicable law." The EO also calls a report by the Secretary of Commerce to prepare a report for the President that assesses, amongst other things, the "monitoring of, enforcement of, implementation of, and compliance with Buy American Laws" and the impact of US free trade agreements and the WTO Agreement on Government Procurement on domestic procurement preferences. The report is due to the President by 24 November 2017. The EO specifically stipulates that it shall not be construed to impair or otherwise affect existing rights or obligations under international agreements, such as the WTO Agreement on Government Procurement	Presidential Executive Order on Buy American and Hire American (18 April 2017). Viewed at: https://www.whitehouse.gov/the-press-office/2017/04/18/presidential-executive-order-buy-american-and-hire-american	

ANNEX 4

MEASURES AFFECTING TRADE IN SERVICES[1]

(Mid-May 2017 to mid-October 2017)

Measure	Mode(s) of supply	Sectoral classification	Source	Date	Verified by Member
MEASURES AFFECTING VARIOUS SECTORS					
Australia					
The government of Australia has made a series of changes to the foreign investment framework, with the aim of streamlining and enhancing its operation. Amendments concern such aspects as: - a new exemption certificate allowing foreign investors in securities to obtain approval for multiple investments; - clarification that residential premises that have commercial use, such as student accommodation or age care facilities, will be screened under commercial land thresholds; - a 10% increase in application fees for foreign purchases of residential properties valued at less than A$10 Million; - thresholds for notification of acquisitions of Australian interests by a foreign government investor have been increased to only capture acquisitions that result in less than 5% of the global firm's total assets and/or where the value is A$55 million or less.	Mode 3	All sectors	Foreign Acquisitions and Takeovers Amendment (Exemption and Other Measures) Regulations 2017 Viewed at: http://firb.gov.au/slide/changes-to-the-foreign-investment-framework-announced-in-the-2017-18-budget-and-additional-technical-amendments-take-effect-from-1-july-2017/	Effective 1 July 2017	YES

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

Measure	Mode(s) of supply	Sectoral classification	Source	Date	Verified by Member
Canada					
Canada has increased thresholds for the 'net benefit' review of direct acquisitions of Canadian businesses by foreign investors under the Investment Canada Act. For private investors from WTO Members, the threshold has been increased to CDN$1 billion as of 22 June 2017. This threshold had been raised to CAN$800 million on 24 April 2017, from CAN$600 million previously. With respect to private investors from countries with which preferential trade agreements have been concluded, the threshold was increased to CAN$1.5 billion on 21 September 2017. This covers private investors from Chile, Colombia, Honduras, the European Union, Rep. of Korea, Mexico, Panama, Peru, and the United States. The threshold for review of direct investments remains lower for acquisition of a Canadian cultural business or for non-WTO investors (CAN$5 million), as well as for investors that are state-owned enterprises (CAN$379 million).	Mode 3	All sectors	Investment Canada Act Viewed at: https://www.ic.gc.ca/eic/site/ica-lic.nsf/eng/h_lk00050.html#p4	Effective 22 June 2017 for WTO investors and 21 September for 'trade agreements' investors.	
China					
The government of China released the 2017 version of the *Catalogue for the Guidance of Foreign Investment Industries*. The 2017 Catalogue introduces a national negative list, which is comprised of a 'restricted' category, where certain restrictions are imposed and prior approval from authorities is required, and a 'prohibited' category, where foreign investment is not permitted. For activities not listed on the negative list, foreign investors are entitled to the same treatment as national investors. The 2017 Catalogue removes foreign investment restrictions for certain services, such as: highway passenger transport; credit investigation and rating services; and large-scale wholesale markets for agricultural products. The new measure also introduces certain limits on foreign investment, as some activities now fall under the 'prohibited' category. These include: Internet services for the delivery of public information; radio and television on-demand services; installation services for the receipt of satellite TV broadcasts; editing of audiovisual products and electronic publications; and research institutes on humanities and social sciences.	Mode 3	All sectors	Catalogue for the Guidance of Foreign Investment Industries (2017 Revision) Viewed at: http://www.china-briefing.com/news/2017/07/11/china-releases-2017-foreign-investment-catalogue-opening-access-new-industries.html	Effective 28 July 2017	YES

Measure	Mode(s) of supply	Sectoral classification	Source	Date	Verified by Member
China's State Council further relaxed limits on foreign investment in the country's free trade zones (FTZ). For example, as regards services sectors: foreign investment is no longer prohibited for the importation of cultural products like arts and literature databases, and digital publications; restrictions on foreign investment in highway passenger transportation have been removed; accounting and auditing services are subject to fewer restrictions; restrictions preventing foreign insurance companies from engaging in reinsurance with affiliated enterprises have been lifted. Currently, the 11 FTZ are in Shanghai, Guangdong, Tianjin, Fujian, Chongqing, Liaoning, Zhejiang, He'nan, Hubei, Sichuan and Shan'anxi.	Mode 3	All sectors	Special Administrative Measures (Negative List) for Foreign Investment Access to Pilot Free Trade Zones (2017 Revision) Viewed at: http://www.scmp.com/news/china/economy/article/2098807/beijing-cuts-list-restrictions-foreign-direct-investment-free	Effective 10 July 2017	YES
China's Cybersecurity Law, which entered into force on 1 June 2017, introduced various new requirements in relation to the collection, use and protection of personal information, the protection of "critical information infrastructure", the responsibilities of network service providers, and the preservation of sensitive information. Among other things, the Law requires "personal information and important data" collected and generated in China to be stored domestically. Security assessments by authorities will be conducted in relation to information and data transferred abroad pursuant to business requirements. More detailed regulations will be issued to support implementation of these provisions of the Law.	Multiple modes	All sectors	Cybersecurity Law	Effective 1 June 2017	

Measure	Mode(s) of supply	Sectoral classification	Source	Date	Verified by Member
Germany					
On 12 July, the Government amended its foreign investment regime to expand the scope for review of acquisitions of equity participation of more than 25% in domestic companies by non-EU and non-EFTA investors. The amendment introduces a list of areas that are explicitly covered by cross-sector review obligations. These include: businesses contributing to a critical infrastructure, including in sectors of energy, information technology and telecommunications, traffic and transport, health, water, finance, and insurance; developers of software for the operation of critical infrastructure; key businesses for the telematics infrastructure; certain cloud computing services. In addition, the sector-specific review procedures are expanded to cover a broader range of military products and components. The amendments also provide for modifications to the procedural framework, notably by extending time periods for reviews by authorities.	Mode 3	All sectors	Amendment to the German Foreign Trade Regulation Viewed at: https://www.ft.com/content/5087c106-66fc-11e7-9a66-93fb352ba1fe	Effective 18 July 2017	
India					
On 24 May 2017, the Union Cabinet approved the phasing out of the Foreign Investment Promotion Board (FIPB), aiming to make India more attractive to foreign investors and to improve ease of doing business. Applications for FDI requiring government approval will instead be processed by the relevant sectoral Ministries/Departments in consultation with the Department of Industrial Policy & Promotion (DIPP) of the Ministry of Commerce & Industry. In pursuance of this policy change, the DIPP has issued on 29 June 2017 a standard operating procedure setting out the process for the treatment of FDI proposals by Ministries/Departments. Among other things, the procedure foresees an 8-week timeframe for approval of FDI, unless security clearance from the Ministry of Home Affairs is required.	Mode 3	All sectors	Viewed at: http://pib.nic.in/newsite/PrintRelease.aspx?relid=162097	24 May 2017	

Measure	Mode(s) of supply	Sectoral classification	Source	Date	Verified by Member
The Ministry of Commerce issued the Consolidated FDI Policy Circular of 2017 on 28 August. Changes brought about by the new policy include: - 100% FDI is allowed under the automatic route for broadcasting carriage services and cable networks. The previous policy allowed FDI up to 49% under the automatic route; - FDI in brownfield pharmaceutical projects is permitted up to 74% under the automatic route and beyond 74% under the government route. Before, no FDI was permitted without government approval; - new rules allow the conversion of an FDI funded limited liability partnership (LLP) into a company and vice versa; - wholesale cash & carry suppliers are allowed to undertake multi-brand retailing, in addition to single-brand retailing; - new procedures for assessing applications for exemptions from local sourcing requirements in case of single brand retailers with more than 51% FDI; - Start-ups are allowed to issue convertible notes to foreign investors. Previously, FDI in start-ups could only be made by subscribing to equity or equity-linked instruments or debt instruments; - Foreign ownership and control of an Indian pension fund is restricted to resident Indian entities. The previous policy permitted foreign ownership/control provided that prior government approval was sought.	Mode 3	All sectors	Consolidated FDI Policy Circular of 2017 Viewed at: http://dipp.nic.in/sites/default/files/CFPC_2017_FINAL_RELEASED_28.8.17.pdf https://www.lexology.com/library/detail.aspx?g=55e48344-7711-417b-aebd-5af4a082ae0b	Effective 28 August 2017	
Japan					
Japan amended the Foreign Exchange and Foreign Trade Act with respect to national security-related notification requirements for certain foreign investment. Prior notification to authorities will be required if foreign investors acquire from other foreign investors non-listed shares of Japanese enterprises in certain industries (e.g. manufacture of weapons; nuclear power plants). Authorities will examine whether the proposed transfer of shares constitutes a threat to national security.	Mode 3	All sectors	Amendments to the Foreign Exchange and Foreign Trade Law (Law No.228 of 1949), including the introduction of Article 28.	Effective 1 October 2017	YES

Measure	Mode(s) of supply	Sectoral classification	Source	Date	Verified by Member
Russian Federation					
The government of the Russian Federation enacted new measures with respect to transactions involving foreign investors in Russian companies. Under the new rules, the Chair of the *Government Commission on Control over Foreign Investment in the Russian Federation* may decide that a transaction by a foreign investor in relation to a Russian company is subject to prior approval by the Commission if the transaction is deemed to threaten national defence and state security. Prior to the amendments, a review applied to acquisitions of more than 25% of voting shares in a Russian company by a foreign investor controlled by a foreign state or international organization. Further, foreign investors that own 5% or more of shares of strategic companies registered in Crimea or the City of Sevastopol are required to notify the Federal Antimonopoly Service by 28 October 2017. Another set of amendments sets limitations on investments of 'offshore companies' in Russian strategic companies and on their participation in privatizations of Russian state assets. Under these new measures, investments by offshore companies are treated the same way as those of foreign states or international organizations. Offshore companies are those that are registered in a list of jurisdictions, including the British Virgin Islands, United Arab Emirates, Monaco, Gibraltar, and Hong Kong, China.	Mode 3	All sectors	Federal Law on Amendments to the Federal Law No. 160-FZ "On Foreign Investment in the Russian Federation" and to the Federal Law No. 57-FZ "On Procedure for Foreign Investment in Business Entities of Strategic Importance for National Defence and Security" (Law No. 165-FZ) Amendments to the Law "On Foreign investments in Strategic Companies" and to the Privatization Law (Law No. 155-FZ) Viewed at: http://en.kremlin.ru/acts/news/55093 http://investmentpolicyhub.unctad.org/IPM/MeasureDetails?id=3115&rgn=&grp=&t=&s=&pg=4&c=&dt=&df=&isSearch=false	Dated 18 July 2017 and effective 30 July 2017 Effective 1 July 2017	YES
FINANCIAL SERVICES					
Australia					
The Australian Securities and Investments Commission (ASIC) added Euronext Brussels and Euronext Lisbon to the definition of "approved foreign market". The concept of "approved foreign market" is used in a number of ASIC legislative instruments that give certain disclosure relief for securities that are quoted on such foreign markets.	Modes 1 and 3	Banking and other financial services (participation in issues of all kinds of securities)	ASIC Corporations (Definition of Approved Foreign Market) Instrument 2017/669 Viewed at: https://www.legislation.gov.au/Details/F2017L01126	Effective 24 August 2017	YES
China					
The People's Bank of China issued new Guidelines on the market access of suppliers of bankcard clearing services. The Guidelines contain provisions on the opening, operation and termination of bankcard clearing services, as well as on the application process, deadlines, and rights and obligations of applicants.	Multiple modes	Banking and other financial services	Guidelines on Providing Bankcard Clearing Services	Effective 30 June 2017	YES

Measure	Mode(s) of supply	Sectoral classification	Source	Date	Verified by Member
The People's Bank of China has taken new measures to allow foreign institutions to operate rating agencies and permit foreign-based agencies to provide rating services for the domestic market. Under the previous framework, global rating agencies could only have minority stakes in joint venture operations and could not issue ratings on local bonds.	Modes 1 and 3	Rating agency services	People's Bank of China Announcement No. 7/2017	Effective 3 July 2017	YES
TELECOMMUNICATION/ICT/AUDIOVISUAL SERVICES					
Australia					
The government put forward legislation that intends to promote competition and improve access to broadband services, especially in regional, rural, and remote areas. Key measures include the introduction of a funding mechanism for regional broadband services, the introduction of a statutory infrastructure provider regime, and changes to the superfast network rules with the aim of ensuring a level playing field and investment certainty by clarifying wholesale-only rules.	Mode 3	Telecommunication services	Telecommunications Legislation Amendment (Competition and Consumer) Bill 2017 as introduced into the Australian Parliament on 22 June 2017; Telecommunications (Regional Broadband Scheme) Charge Bill 2017 Viewed at: https://www.legislation.gov.au/Details/C2017B00147	Ongoing	YES
Canada					
The Minister of Canadian Heritage announced on 28 September 2017 that an agreement had been reached with Netflix, whereby the company would establish a presence in Canada and invest a minimum of CAD $500 million in original productions in Canada over the next 5 years. Netflix also undertook to support Canadian French-language content through a market development strategy centred on a CAD $25 million investment.	Modes 1 and 3	Audiovisual services	Viewed at: https://www.canada.ca/en/canadian-heritage/news/2017/09/launch_of_netflixcanadaarecognitionofcanadascreativetalentandits.html	Effective 28 September 2017	
The Canadian Radio-television and Telecommunications Commission (CRTC) issued interim rates for 'disaggregated' wholesale high speed access services in Ontario and Quebec. Access wholesalers must offer the interim rates to competing Internet Service Providers. An in-depth review on final rates is underway, but the interim rates will apply in the meantime.	Mode 3	Telecommunication services	Telecom Order CRTC 2017-312 of 29 August 2017 Viewed at: http://www.crtc.gc.ca/eng/archive/2017/2017-312.htm	Effective 8 September 2017	

Measure	Mode(s) of supply	Sectoral classification	Source	Date	Verified by Member
European Union					
As of 15 June 2017, the EU ended roaming surcharges for all people who travel periodically within the EU. As of that date, subscribers pay only domestic charges when roaming. Under the regulations, operators can request authorization to apply surcharges if offering roaming could cause unreasonable financial losses, defined as more than 3% of the mobile services margin.	Multiple modes	Telecommunication services	Commission Implementing Regulation C(2016) 8784 Viewed at: http://ec.europa.eu/smart-regulation/impact/ia_carried_out/docs/ia_2016/c_2016_8784_en.pdf	Effective 15 June 2017	YES
India					
The Telecom Regulatory Authority of India (TRAI) issued a decision lowering the interconnection usage charge for mobile to mobile communications as from 1 October 2017. The decision also directed termination charges to end completely in January 2020.	Multiple Modes	Telecommunication services	The Telecommunication Interconnection Usage Charges (Thirteenth Amendment) Regulations 2017 Viewed at: http://www.trai.gov.in/sites/default/files/IUC_Regulations_2017_Final.pdf	Effective 1 October 2017	

Measure	Mode(s) of supply	Sectoral classification	Source	Date	Verified by Member
Russian Federation					
On 1 May 2017, the President of the Russian Federation signed a Federal Law that limits foreign participation in certain audiovisual services. The new law applies to owners of Internet websites, website pages, information systems, and computer software that are used for online distribution of collections of audiovisual works, access to which is provided for a fee or on the condition of viewing advertising targeted at users in the Russian Federation, and which are accessed by more than 100,000 users per day in the Russian Federation. The measure provides that only a Russian legal entity or Russian Federation citizen that does not hold the citizenship of another state can own such websites and systems. Unless stated otherwise in an international agreement of the Russian Federation, foreign persons[2] that own an information resource used for online distribution of collections of audiovisual works that has less than 50% of its users in the Russian Federation are not allowed to own more than 20% of the charter capital of such Russian legal entities, unless they receive permission from a government commission. The law will not apply to Internet search systems or information resources that primarily distribute content posted by individual Internet users.	Modes 1 and 3	Online distribution of collections of audiovisual works	Federal Law No. 87-FZ of 1 May 2017 "On Amendments to the Federal Law on Information. Information Technologies and Information Protection" and Certain Legislative Acts of the Russian Federation.	Effective 1 July 2017	YES

[2] A foreign state, an international organization, as well as an organization controlled by them, a foreign legal entity, a Russian legal entity with foreign participation in the charter capital of more than 20%, a foreign citizen, a person without citizenship, a citizen of the Russian Federation holding citizenship of another state, and their affiliates.

Measure	Mode(s) of supply	Sectoral classification	Source	Date	Verified by Member
Saudi Arabia, Kingdom of					
The Kingdom of Saudi Arabia lifted its ban on voice over Internet (VoIP) calling as of 21 September. All applications providing voice and video communications over the Internet will become accessible, subject to suppliers meeting regulatory requirements. Such VoIP applications had previously been prohibited since 2013.	Multiple modes	Telecommunication services	Viewed at: https://www.iol.co.za/business-report/ban-on-internet-calls-lifted-in-saudi-arabia-11302735	Effective 21 September 2017	YES
BUSINESS SERVICES					
Australia					
The Australian Government has reformed the registration requirements for patent attorneys, including through the development of a trans-Tasman patent attorney regime. The reform is part of the Single Economic Market agenda between Australia and New Zealand. The reforms removed the requirement that an individual seeking registration as a patent attorney in Australia be ordinarily resident in Australia. Under the reforms, applicants must now meet an employment requirement to ensure they have the appropriate level of experience in Australia and New Zealand patent law and practice.	Modes 1, 3 and 4	Patent attorney services	Intellectual Property Laws Amendment Act 2015 (Cth); Intellectual Property Legislation Amendment (Single Economic Market and Other Measures) Regulation 2016 (Cth) Viewed at: https://www.legislation.gov.au/Details/C2015A00008 https://www.legislation.gov.au/Details/F2016L01754	Effective 24 February 2017	YES
China					
On 20 August 2017, China's Ministry of Finance issued new rules on the conditions and procedures in relation to the licensing, supervision and management of accounting firms.	Mode 3	Accounting, auditing and bookkeeping services	Measures for the Licensing, Supervision and Administration of Accounting Firms (Order of MOF, No. 89)	Effective 1 October 2017	YES
Saudi Arabia, Kingdom of					
The Kingdom of Saudi Arabia allowed full foreign ownership of companies providing engineering services. To qualify, the foreign company shall have been incorporated for at least 10 years and have been operating in at least four countries. Previously, engineering companies were required to have at least 25% of their capital owned by a Saudi professional.	Mode 3	Engineering services	Viewed at: http://www.arabnews.com/node/1141826/saudi-arabia https://www.pwc.com/m1/en/services/tax/me-tax-legal-news/2017/ksa-to-permit-100-percent-foreign-ownership-of-engineering-entities.html	Effective 7 August 2017	

Measure	Mode(s) of supply	Sectoral classification	Source	Date	Verified by Member
MEDICAL AND HEALTH-RELATED SERVICES					
China					
The government of China has lifted the 70% foreign investment limit for medical clinics.	Mode 3	Medical clinics	Notice on Deepening Reforms to Delegate Power, Streamline Administration and Optimize Government Services to Stimulate Investment in the Medical Field (National Health and Family Planning Commission 2017, No. 43)	Effective 8 August 2017	YES
TRANSPORT SERVICES					
Mexico					
On 26 June 2017, the government of Mexico published a decree amending the Foreign Investment Law, allowing foreign capital participation up to 49% in regular and non-regular domestic air transport service, non-scheduled international air transport service in the air taxi mode, and specialized air transport service. Previously, foreign ownership was limited to 25%.	Mode 3	Air transport services	Viewed at: http://investmentpolicyhub.unctad.org/IPM/MeasureDetails?id=3024&rgn=&grp=&t=&s=&pg=&c=&dt=&df=&isSearch=false http://www.dof.gob.mx/nota_detalle.php?codigo=5488029&fecha=26/06/2017	Effective 26 June 2017	
DISTRIBUTION SERVICES					
Italy					
The Italian government introduced new measures that liberalize the retail pharmacy sector, notably by allowing corporate entities to run a pharmacy business. Previously, only licensed pharmacists and non-corporate entities composed of licensed pharmacists could own retail pharmacies. The new law maintains the prohibition for pharmacy owners (including corporate entities) to directly or indirectly control more than 20% of pharmacies located within the same region or autonomous province.	Mode 3	Pharmacy services	Law No. 124 of 4 August 2017 Viewed at: http://www.hlregulation.com/2017/08/02/italy-opens-the-door-to-corporate-ownership-of-pharmacies-a-revolution-for-the-italian-pharma-distribution/	Effective 29 August 2017	
SERVICES SUPPLIED THROUGH THE MOVEMENT OF NATURAL PERSONS					
Canada					
The government of Canada introduced a streamlined temporary worker programme that features shorter processing times for applications by highly-skilled foreign workers and possible work permit exemptions with stays of up to 30 days for such highly-skilled workers and of up to 120 days for academic researchers.	Mode 4	All sectors	Viewed at: http://www.canadavisa.com/global-talent-stream.html	Effective June 2017	

Measure	Mode(s) of supply	Sectoral classification	Source	Date	Verified by Member
Saudi Arabia, Kingdom of					
The Ministry of Labour and Social Development (MOLSD) announced an update to the existing *Nitaqat* framework (Saudisation of the workforce). The updates aim to increase the threshold for obtaining a higher *Nitaqat* grade across most industries. For example: - "Small" companies (10 to 49 employees) in the oil & gas sector are now required to adhere to a Saudisation percentage of at least 66% (rather than 56%) in order to be classified a "Platinum" entity; - "Small" financial institutions are now required to adhere to a Saudisation percentage of at least 88% (rather than 80%) in order to be classified a "Platinum" entity; and - "Small" IT companies are now required to adhere to a Saudisation percentage of at least 56% (rather than 30%) in order to be classified a "Platinum" entity. Higher ranked companies (such as those classified "Platinum") enjoy a number of advantages, such as expedited immigration processing, lower processing fees, and other administrative benefits.	Mode 4	All sectors	Viewed at: http://www.pwc.com/m1/en/services/tax/me-tax-legal-news/2017/saudi-arabia-update-existing-nitaqat-percentages.html	Effective 3 September 2017	