# REPORT ON G20 TRADE MEASURES

## (MID-OCTOBER 2023 TO MID-OCTOBER 2024)

**TABLE OF CONTENTS**

## EXECUTIVE SUMMARY

1. This 31st Trade Monitoring Report on G20 trade measures arrives during difficult times for global trade. Against a backdrop of geopolitical tensions and more frequent and serious climate change-related crises, there is increasing evidence of inward-looking and unilateral trade policy decisions creating uncertainty for the world economy.

2. During the review period, i.e. from-October 2023 to mid-October 2024, the Report shows that the trade covered by new restrictions has increased significantly compared to the last Trade Monitoring Report in December 2023. Even if G20 economies have also continued to introduce wide-ranging measures that liberalize trade, industrial policies and certain other programmes hold the potential to widen existing trade tensions.

3. This Report shows that between mid-October 2023 and mid-October 2024, G20 economies introduced 91 new trade-restrictive and 141 trade-facilitating measures on goods. Most of these measures were import measures. The trade coverage of the trade-restrictive measures was estimated at USD 828.9 billion, up significantly from USD 246.0 billion in the last Report. The trade coverage of the trade-facilitating measures has also increased during the review period and was estimated at USD 1,069.6 billion (up from USD 318.8 billion in the last Report). Trade remedy initiations by G20 economies have increased during the review period (25.4 per month compared to 17.4 in 2023). In the area of services, 50 new measures were introduced by G20 economies, most of which were trade-facilitating. Numerous new support measures introduced by governments included climate change-related measures, environmental impact reduction programmes and schemes to support the transition to a low-carbon, more resource-efficient and sustainable economy.

4. The stockpile of G20 import restrictions has grown steadily since 2009. For 2024, the trade covered by G20 import restrictions in force was estimated at USD 2,328 billion, representing 12.7% of total G20 imports or 9.4% of world imports. This is up from USD 2,287 billion or 9.1% of world imports in the last G20 Report.

5. The number of export restrictions has risen significantly since 2020, first in the context of the pandemic and more recently because of the war in Ukraine and the food security crisis. While the review period saw a deceleration in the introduction of new export restrictions by G20 economies, their trade coverage represented 1.3% of the value of G20 merchandise exports or 0.9% of world exports.

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

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

### Specific findings

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

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

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

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

12. During the review period, G20 economies introduced **91 new trade-restrictive and 141 trade-facilitating measures on goods**, unrelated to the pandemic. Most of these measures were import measures. The trade coverage of the trade-restrictive measures was estimated at USD 828.9 billion which was up significantly from USD 246.0 billion in the last G20 Report. The trade coverage of the trade-facilitating measures was estimated at USD 1,069.6 billion (up from USD 318.8 billion in the last Report).

13. The **stockpile of G20 import restrictions** implemented since 2009 has grown steadily. For 2024, the trade covered by G20 import restrictions in force was estimated at USD 2,328 billion, representing 12.7% of total G20 imports or 9.4% of world imports (up from USD 2,287 billion in the last G20 Report (9.1% of world imports)).

14. The introduction of new **export restrictions** has increased since 2020, first in the context of the pandemic and then because of the war in Ukraine and the food security crisis. This review period saw a deceleration in the introduction of new export restrictions (with 22 new measures being closer to the pre-pandemic average compared to an annual average of around 50 new measures over the past 3 years). While fewer export restrictions were introduced, their trade coverage was estimated at USD 230.8 billion, representing 1.3% of the value of G20 merchandise exports or 0.9% of world exports (up from USD 121.7 billion, i.e. 0.7% of G20 exports or 0.5% of world exports, in the last Report).

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

16. The average number of **trade remedy** initiations by G20 economies was 25.4 per month during the review period, close to the highest peak observed so far in 2020 (28.6 initiations per month). This marks the end of the slowdown observed between 2021 and 2023 in the number of initiations of trade remedy investigations. The monthly average of trade remedy terminations recorded for this period was 7.5, the lowest average recorded since 2015. Trade remedy actions, especially anti-dumping measures, continue to be a central trade policy tool for most G20 economies, accounting for 63.0% of trade measures on goods recorded in this Report.

17. **In the services sectors**, G20 economies introduced 50 new measures between mid-October 2023 and mid-October 2024, of which 40% could be considered restrictive. Around 30% of the measures were horizontal measures, impacting mainly mode 3 (commercial presence) and mode 4 (movement of natural persons). A fifth of the new measures referred to Internet- and other network-enabled services and telecommunications services.

18. The review period saw an increase in the introduction of new **general and economic support measures** by G20 economies, echoing findings by the OECD and the IMF of a rise in industrial policies by governments to support strategic industries and sectors. It is difficult to evaluate the impact of these support measures on international trade and competition. Most of these measures mentioned the environment, energy, and agriculture.

19. Over the past 12 months, only 1 extension and 13 terminations of **COVID-19 trade-related measures** by G20 economies were recorded on goods. Of the 461 COVID-19 trade-related measures in goods introduced by WTO Members and Observers since the outbreak of the pandemic, 182 (39.5%) were G20 measures. Most G20 measures were trade-facilitating (106 or 58.2%). G20

economies continued to phase out the pandemic-related measures, especially restrictions. As of mid-October 2024, 88.2% of G20 COVID-19 trade restrictions had been repealed, leaving nine restrictions in place, of which seven targeted exports. The trade coverage of the pandemic-related trade restrictions still in place was estimated at USD 9.6 billion (down from USD 15.1 billion in the previous Report).

20. G20 economies remained the most frequent users of the **SPS and TBT Committees' transparency mechanisms**. Food safety was the most frequent objective identified in the regular SPS notifications submitted by G20 economies. Discussions at the SPS Committee continue to advance the work on the MC12 SPS Declaration on Responding to Modern SPS Challenges. Out of 64 specific trade concerns (STCs) raised or discussed at SPS Committee meetings during the review period, 51 (79.7%) involved a G20 economy. G20 economies submitted 39.8% of all 133 SPS notifications and communications on measures taken in response to the pandemic.

21. G20 economies have submitted 40% of all TBT notifications since 1995. Most of the new regular TBT notifications submitted by G20 economies during the review period indicated the protection of human health or safety as their main objective. At TBT Committee meetings, 25 out of 33 new STCs raised concerned G20 measures. G20 economies have submitted 149 out of 237 TBT notifications (62.8%) in response to the pandemic.

22. The number of **trade concerns raised** in WTO Committees and bodies continued to increase, in some cases sharply. The majority of these concerned G20 measures or policies. During the review period, WTO Committees continued to provide forums for addressing trade concerns and allowing trading partners to engage on real or potential areas of friction. Trade-related concerns in the context of trade and industrial policy featured prominently in discussions across committees in the WTO.

23. In the **Committee on Agriculture** (CoA), 65% of the questions raised during the review period concerned agricultural policies implemented by G20 economies, with domestic support and export-limiting measures dominating the discussions. The war in Ukraine featured prominently in the CoA's discussions, both within the broader dialogue on food security under the dedicated work programme targeting the food security concerns of Least-Developed and Net Food Importing Developing Members, and within the Committee's Q&A-based review process.

24. G20 economies continued to fine-tune their **intellectual property** (IP) domestic frameworks. During the review period, G20 economies actively engaged in the discussions held during formal and informal meetings of the TRIPS Council, particularly regarding the possible extension of the MC12 TRIPS Decision on COVID-19 Vaccines to diagnostics and therapeutics and the restart of the Review of the Implementation of the TRIPS Agreement.

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

## 1 INTRODUCTION

1.1. This 31st WTO Trade Monitoring Report reviews trade and trade-related measures implemented by G20 economies during the period from 16 October 2023 to 15 October 2024.[1] The G20 Trade Monitoring Reports have been prepared since 2009, in response to the request by G20 Leaders to the WTO, together with the Organisation for Economic Co-operation and Development (OECD) and the United Nations Conference on Trade and Development (UNCTAD), to monitor and report on trade and investment measures implemented by G20 economies. The previous Report, which covered the period from mid-May to mid-October 2023 was issued on 13 December 2023. In 2023, the African Union (AU) was invited to join the G20. The WTO Secretariat is looking forward to working with the AU in the context of the Trade Monitoring Reports.

1.2. This Report is issued under the sole responsibility of the Director-General of the WTO and has as its core objective to provide transparency on the latest trends and developments in the implementation of a broad range of trade policy measures. The Report includes specific and concise updates on a wide range of substantive WTO activities and provides the latest information on the main indicators of the world economy and on the state of global trade.

1.3. This end-of-year Report on G20 economies comes at a time of heightened geopolitical tensions. The war in Ukraine, close to entering its third year, and the expanding conflict in the Middle East are daily reminders of humanitarian crises facing the world. The threats to the flow of trade, including the potential for adverse developments with respect to energy security, are fuelling general instability of the world economy at large.

1.4. Under its trade monitoring mandate, the WTO Secretariat continues to monitor and provide transparency on trade-related measures implemented by WTO Members. As a cross-cutting, non-legal and factual transparency exercise, the WTO Trade Monitoring Exercise has been widely welcomed as providing an important platform for the WTO membership to gain a better understanding of how others are responding to various crises. Both in the context of the COVID-19 pandemic and in the immediate aftermath of the outbreak of the war in Ukraine, the WTO Trade Monitoring Reports were able to provide up-to-date information on the type and scope of trade policies implemented in response to these crises.

1.5. Information on measures included in this Report and its Annexes 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 most G20 delegations. These data, as well as information collected from other public and official sources, were made available to delegations for verification. When it has not been possible to verify information, this is noted in the separate Addendum and its Annexes.

1.6. In 2023, the WTO Secretariat introduced an online platform for submitting and verifying trade measures. The principal objectives of this platform are to increase participation in the Trade Monitoring Exercise and to facilitate the exchange of information between the Secretariat and delegations, particularly during the verification process. Overall, the platform continues to show that an increasing number of delegations are opting to submit and verify trade measures this way. The online platform continues to be a work in progress, and some features will undergo further modification and improvement in line with input and suggestions from delegations.

1.7. Section 2 of this Report provides a brief account of recent economic and trade developments in the G20 economies and includes the most recent forecasts for world trade growth. Section 3 presents selected trade and trade-related policy trends for the review period, as well as concise updates in several areas of WTO work. Policy developments in trade in services are included in Section 4.

1.8. A separate Addendum to this Report contains Annexes with new regular measures recorded for G20 economies during the review period. Measures implemented outside of this period are not included in these Annexes. Information on all regular trade measures recorded since the beginning

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

of the Trade Monitoring Exercise in October 2008 with an indication of their status, as updated by G20 delegations, is available through the Trade Monitoring Database (TMDB).[2]

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

### Box 1.1 About the WTO Trade Monitoring Report

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

The Trade Monitoring Report is first and foremost a transparency exercise. It is intended to be purely factual and has no legal effect on the rights and obligations of WTO Members. In line with the overall objectives of the TPRM, information covered in the Trade Monitoring Report carries no legal implication with respect to the conformity of any measure with any WTO Agreement.[a]

The Report aims to shed light on the latest trends in the implementation of a broad range of policy measures that impact the flow of trade and provide an update on the state of the global trading environment. The Report neither seeks to pronounce itself on whether a trade measure is protectionist, nor does it question the right of Members to take certain trade measures. The Report also provides in-depth substantive snapshots of trade policy developments in a wide range of WTO bodies. The Trade Monitoring Exercise is the only cross-cutting transparency initiative in the multilateral trading system, and it draws upon Secretariat-wide contributions to ensure that all major developments in each review period are covered concisely.

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

With respect to trade remedy actions (Annex 2), it has been highlighted in discussions among WTO Members that some of these measures are taken to address what is perceived by some as a market distortion resulting from trade practices in another trading partner. The Anti-Dumping Agreement and the Agreement on Subsidies and Countervailing Measures permit WTO Members to impose anti-dumping (AD) or countervailing (CVD) duties to offset what is perceived to be injurious dumping or subsidization of products exported from one Member to another. The Reports are not able to establish if, where or when such perceived distortive practices have taken place. The Reports have never categorized the use of trade remedies as protectionist or WTO-inconsistent or criticized governments for utilizing them. The main objective of monitoring these measures is to provide additional transparency and to identify emerging trends in the application of trade defence instruments.

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

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

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

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

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

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

Trade Monitoring Reports – Circulation

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

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

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

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

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

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

Source: WTO Secretariat statistics from WTO website and Docsonline.

## 2 RECENT ECONOMIC AND TRADE DEVELOPMENTS

### 2.1 Trade volume developments and outlook

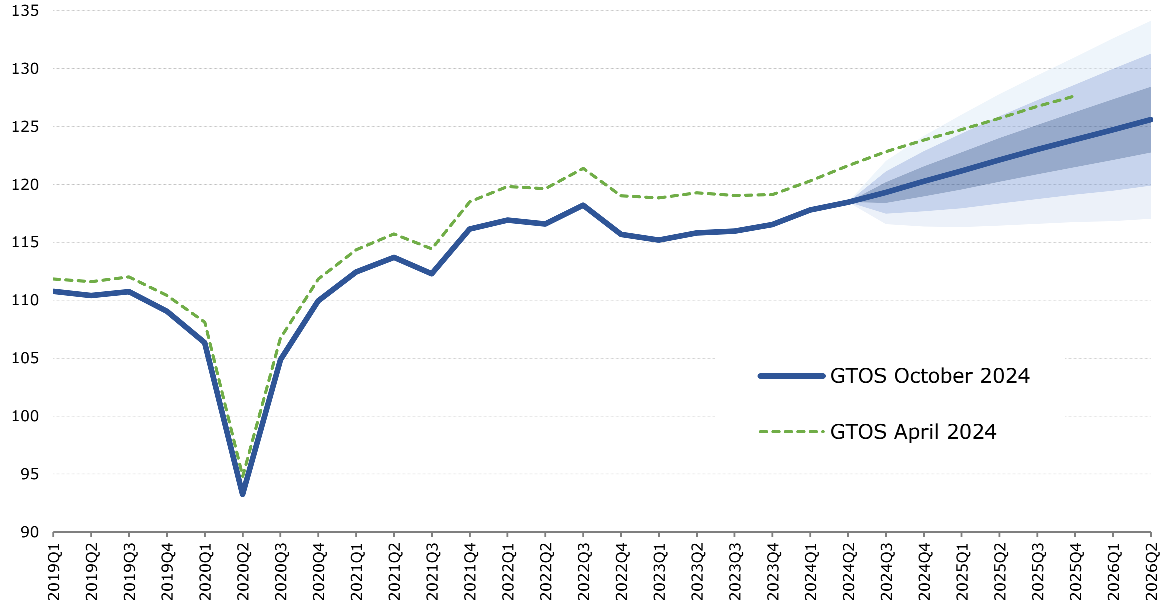
2.1. The volume of world merchandise trade expanded at a moderate pace in the first half of 2024, up 2.3% year-on-year following a 1.1% decline in 2023 that was driven by high inflation, rising interest rates, and the lingering effects of high energy prices. Falling inflation has allowed central banks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

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

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

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

(Seasonally adjusted volume index, 2015=100)




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

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

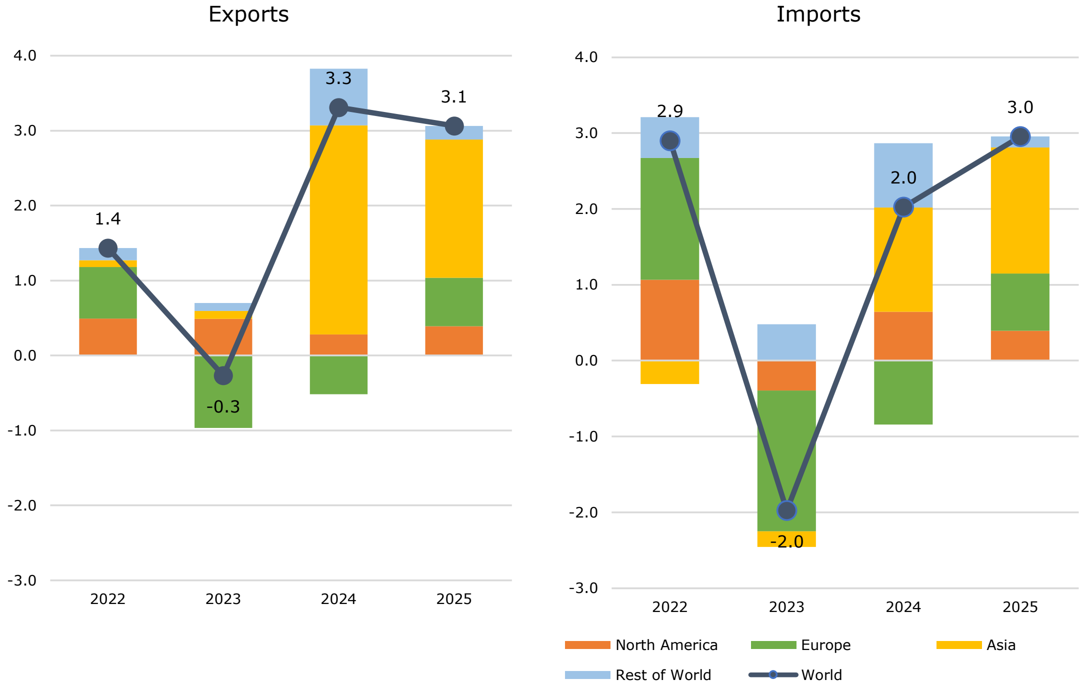
2.4. Two key differences stand out between the current forecast and the previous one. First, trade growth in Europe is expected to be weaker than previously estimated, with negative contributions on both the export and import sides in 2024. Second, stronger-than-anticipated export growth is expected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

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

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

**Chart 2.2 Contributions to world trade volume growth by region, 2022-2025**

(Annual percentage change)




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

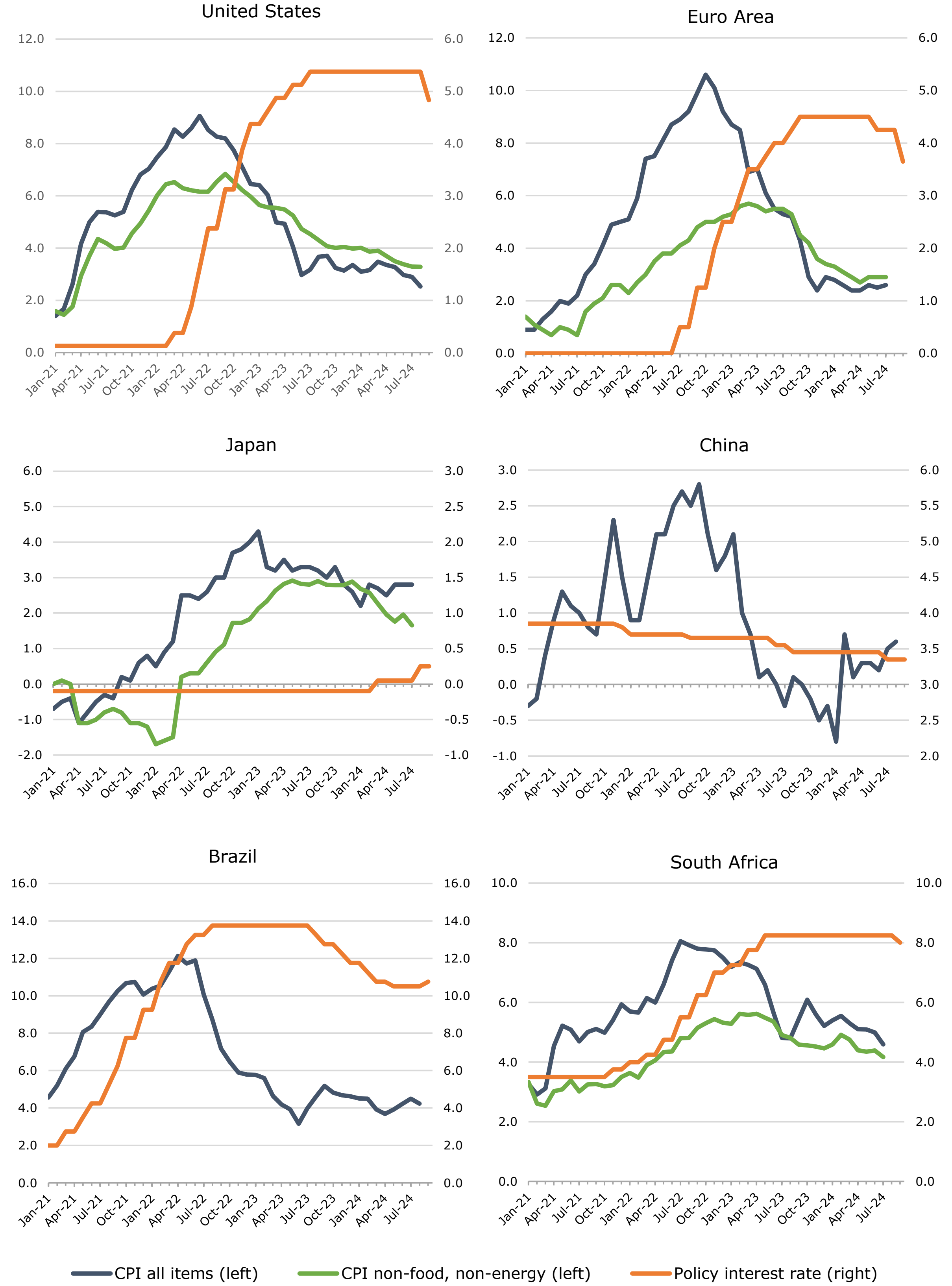
2.5. The global economy continues to improve, although notable differences in economic performance persist across countries and regions. In recent months, major economies, including United States, European Union and South Africa, have cut interest rates as inflationary pressures have eased (Chart 2.3).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

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

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

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

(Year-on-year % change)




Source: OECD Data Explorer for CPI, BIS Central bank policy rates database for interest rates. Link for CPI: OECD Data Explorer Consumer price indices (CPIs, HICPs), COICOP 1999. Viewed at:

https://data.bis.org/topics/CBPOL. Originally published in: WTO (October 2024), Global Trade Outlook and Statistics Update. Viewed at: https://www.wto.org/english/news_e/news24_e/stat_10oct24_e.htm.

### Table 2.1 Merchandise trade volume and GDP growth, 2020-2025[a]

(Annual % change)

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

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

Source: WTO for trade, consensus estimates for GDP.

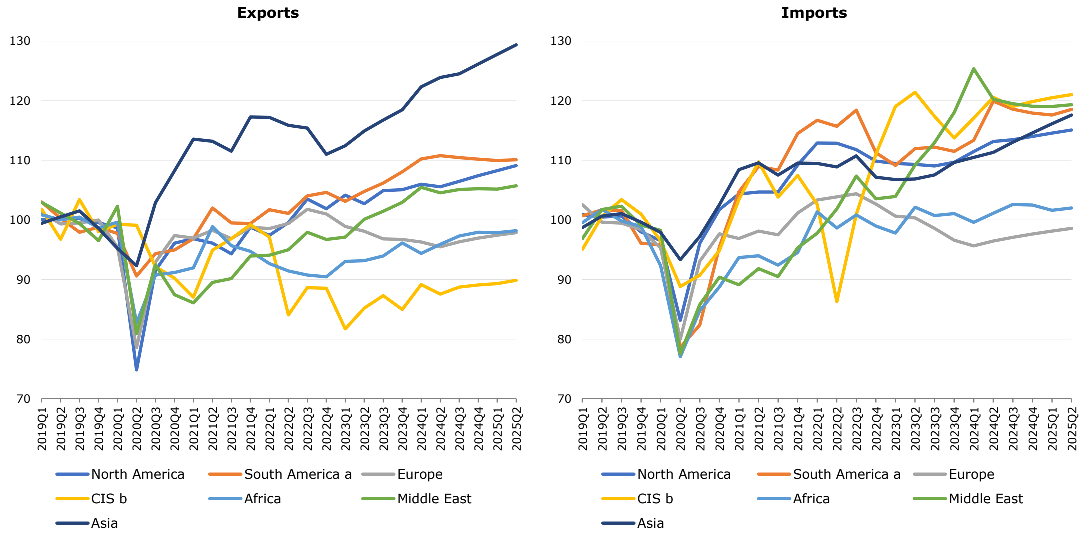
2.8. Regional trade volume developments and projections through the second quarter of 2025 are shown in Chart 2.4. If the forecast is realized, by Q2 of 2025 Asian exports will have risen 29.4% compared to 2019, followed by South America (10.1%), North America (9.1%) and the Middle East

(5.7%). Meanwhile, exports are expected to decline in Africa (-1.8%), Europe (-2.1%) and the CIS[2] region (-10.1%).

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

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

(Volume index, 2019=100)




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

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

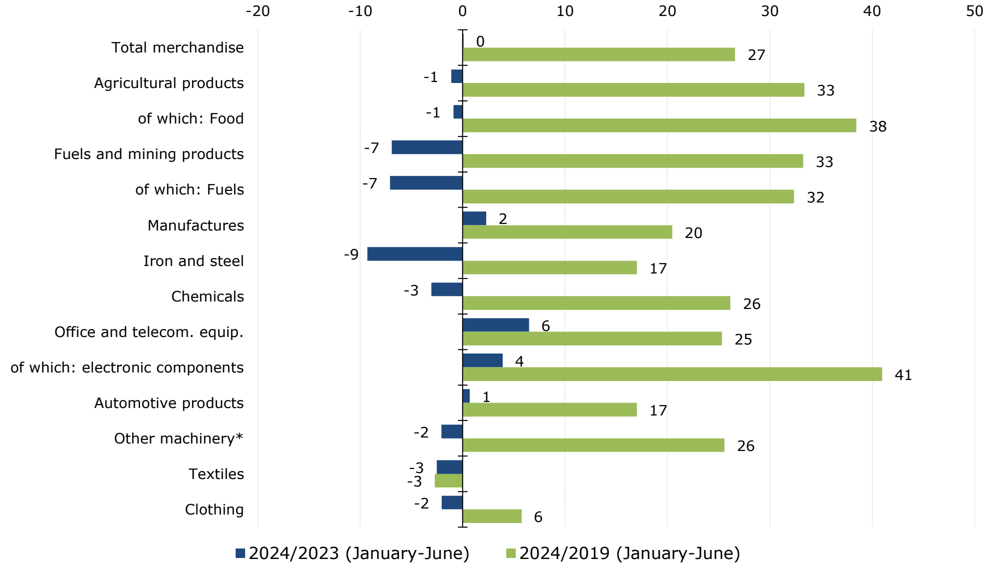
## 2.2 Trade development in value terms

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

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

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

(% change in USD values)

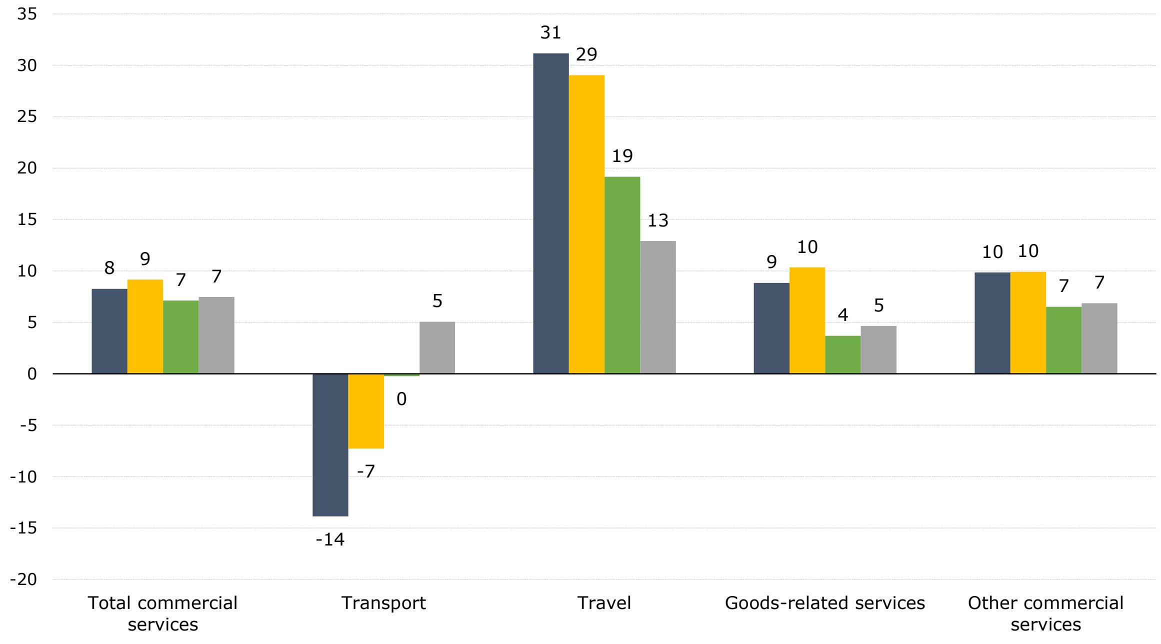



Source: WTO-UNCTAD for total merchandise trade, WTO estimates based on mirror data for product categories. Quarterly figures for total merchandise trade volume can be downloaded from stats.wto.org. Mirror estimates for products are based on national customs statistics for 107 economies compiled by Trade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

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

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

(% change in USD values)

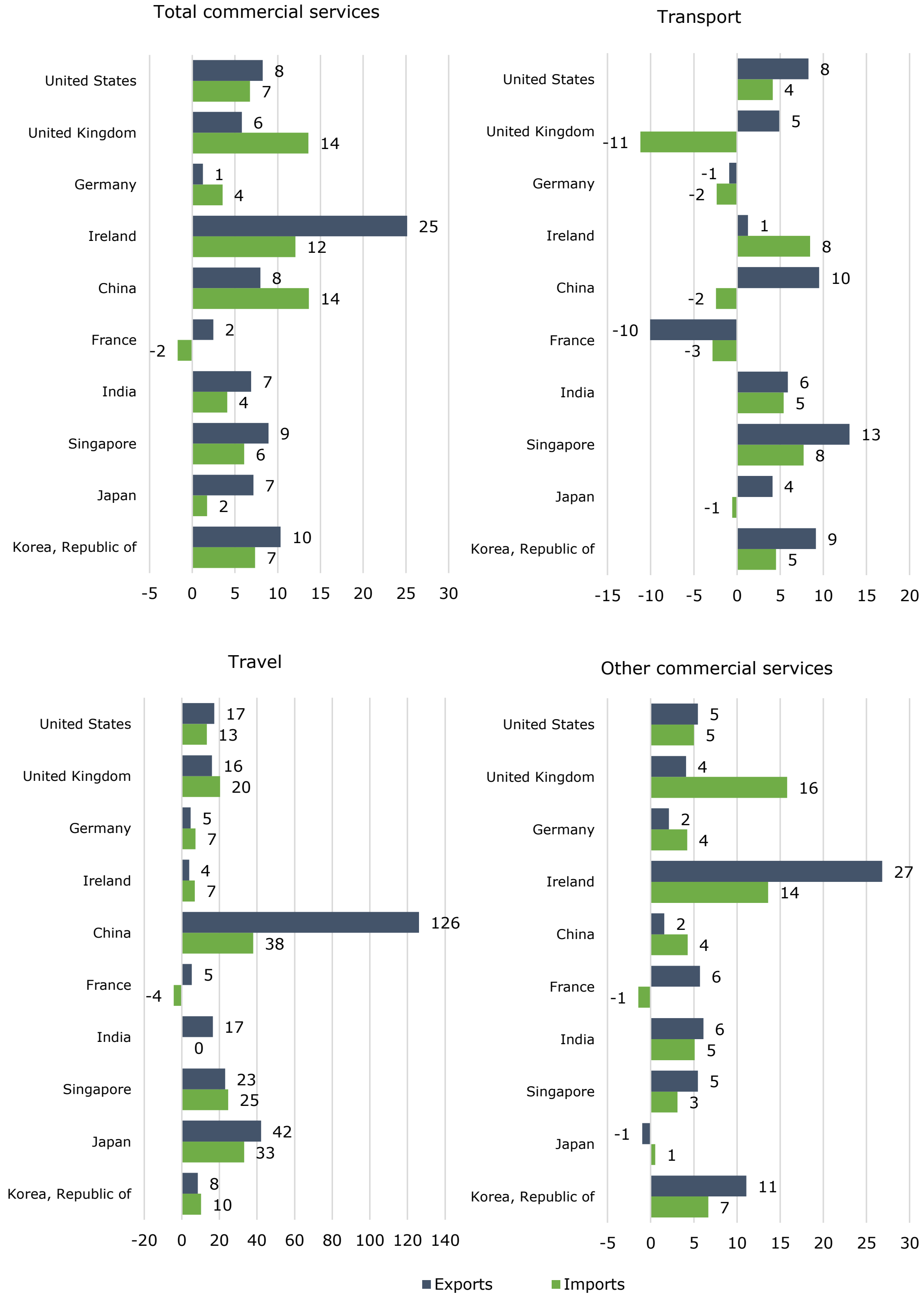



Source: WTO estimates based on quarterly WTO-UNCTAD commercial services trade statistics. Statistics for individual countries are downloadable from stats.wto.org.

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

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

(Year-on-year % change)




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

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

**Chart 2.8 Trade within and between hypothetical geopolitical blocs and the difference of between bloc and within-bloc trade, January 2018-February 2024**

(Indices based in January 2022)


Note: Data are seasonally adjusted. The Russian Federation, Belarus, and Ukraine are excluded due to lack of data. Indices in the left panel are indexed at 100 in January 2022 while the index in the right panel is indexed at 0 in the same month.

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

# 3 TRADE AND TRADE-RELATED POLICY DEVELOPMENTS

## 3.1 Overview of trends identified during the review period

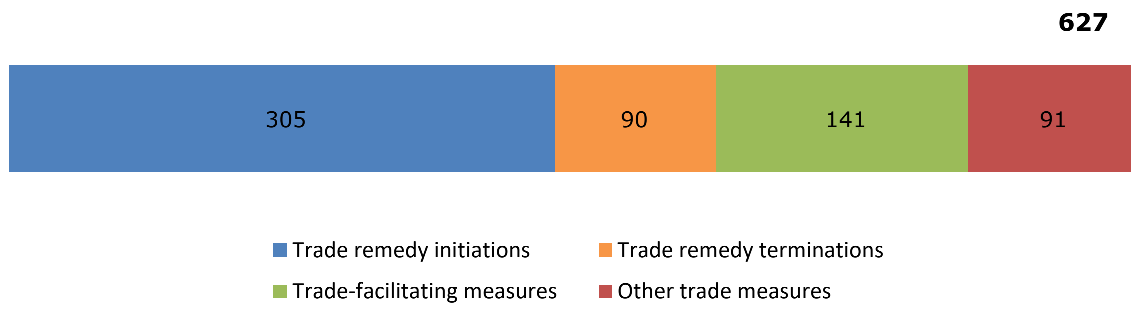
3.1. This Section analyses selected trade and trade-related policy developments in the area of goods during the period from mid-October 2023 to mid-October 2024. It is divided into three parts. The first part looks at regular, i.e. non-COVID-19-related measures implemented during the review period, including calculations on trade coverage. The second part, in Section 3.1.2, covers measures taken in the context of the COVID-19 pandemic. These COVID-19-related measures are not included in the trade coverage calculations and are not counted towards the aggregate numbers in 3.1.1. The third part, in Section 3.1.3, provides recent developments on food, feed and fertilizers.

3.2. A separate Addendum to this Report contains Annexes 1, 2 and 3 on recorded trade and trade-related measures taken by G20 economies from 16 October 2023 to 15 October 2024. Services measures are analysed separately in Section 4 of this Report and are listed in Annex 4 of the Addendum. This separate Addendum lists new regular (non-COVID-19-related) measures recorded for G20 economies during the review period.

### 3.1.1 Regular trade measures

3.3. A total of 627 trade measures were recorded for the G20 economies during the review period (Chart 3.1).[1] This figure includes measures facilitating trade, trade remedy measures and other trade and trade-related measures. It excludes measures taken in the context of the COVID-19 pandemic.

**Chart 3.1 Number of G20 measures introduced between mid-October 2023 and mid-October 2024**




Source: WTO Secretariat.

3.4. Chart 3.2 illustrates the trade coverage estimates of the measures recorded for the G20 economies, including measures on food, feed and fertilizers.[2]

[1] See Annexes 1-3 in the separate Addendum. The Annexes do not include SPS and TBT measures, which are covered in Sections 3.3 and 3.4.

[2] The trade coverage does not include trade for measures that were both implemented and terminated within the review period. Trade coverage estimates for the review period were based on 2023 merchandise trade. For the Russian Federation and the Republic of Korea 2021 and 2022 trade figures were used respectively.

**Chart 3.2 Trade coverage of G20 measures introduced between mid-October 2023 and mid-October 2024, in USD billion**


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

Source: WTO Secretariat.

### Measures facilitating trade

3.5. During the review period, 141 new trade-facilitating measures were recorded for G20 economies (Table 3.1). This represents 22.5% of the total number of measures recorded. The number of trade-facilitating measures introduced by G20 economies during the review period was similar to that of 2023. The monthly average of 11.8 trade-facilitating measures recorded for the period is the third-highest recorded since 2015.

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

| Type of measure | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Mid-Oct 23 to mid-Oct 24 (12 months) |
|---|---|---|---|---|---|---|---|---|---|---|
| **Import** | **83** | **65** | **73** | **70** | **59** | **61** | **83** | **145** | **113** | **113** |
| - Tariff | 61 | 54 | 54 | 60 | 54 | 52 | 68 | 108 | 57 | 57 |
| - Customs procedures | 16 | 9 | 13 | 5 | 2 | 2 | 7 | 9 | 17 | 22 |
| - Tax | 3 | 2 | 3 | 4 | 2 | 4 | 2 | 1 | 1 | 4 |
| - QRs | 3 | 0 | 2 | 1 | 1 | 3 | 4 | 25 | 34 | 21 |
| - Other | 0 | 0 | 1 | 0 | 0 | 0 | 2 | 2 | 4 | 9 |
| **Export** | **24** | **18** | **21** | **12** | **8** | **6** | **12** | **41** | **30** | **28** |
| - Duties | 10 | 7 | 2 | 6 | 5 | 4 | 4 | 17 | 6 | 6 |
| - Quantitative restrictions (QRs) | 4 | 4 | 3 | 1 | 1 | 0 | 6 | 21 | 18 | 18 |
| - Other | 10 | 7 | 16 | 5 | 2 | 2 | 2 | 3 | 6 | 4 |
| **Other** | **2** | **5** | **1** | **2** | **1** | **1** | **4** | **0** | **0** | **0** |
| **Total** | **109** | **88** | **95** | **84** | **68** | **68** | **99** | **186** | **143** | **141** |
| *Average per month* | *9.1* | *7.3* | *7.9* | *7.0* | *5.7* | *5.7* | *8.3* | *15.5* | *11.9* | *11.8* |

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

Source: WTO Secretariat.

3.6. During the review period, 113 import-facilitating measures (80.1% of all trade-facilitating measures) were introduced by G20 economies. The reduction or elimination of import tariffs and the easing of customs procedures and quantitative restrictions continue to make up the bulk of trade-facilitating measures (Table 3.1). Eleven of these import-facilitating measures covered food, feed and fertilizers.

3.7. On the export side, 28 measures were introduced (19.9% of all trade-facilitating measures) by G20 economies, mainly eliminating quantitative restrictions and reducing export duties.

3.8. The trade coverage of the import-facilitating measures introduced during the review period was estimated at USD 949.7 billion, i.e. 5.19% of the value of G20 merchandise imports or 3.82% of world merchandise imports (significantly up from USD 317.4 billion or 1.63% of the value of G20 merchandise imports in the last G20 report), as shown in Table 3.2 and Chart 3.3.

**Table 3.2 Share of trade covered by import-facilitating measures, mid-May 2019 to mid-October 2024**

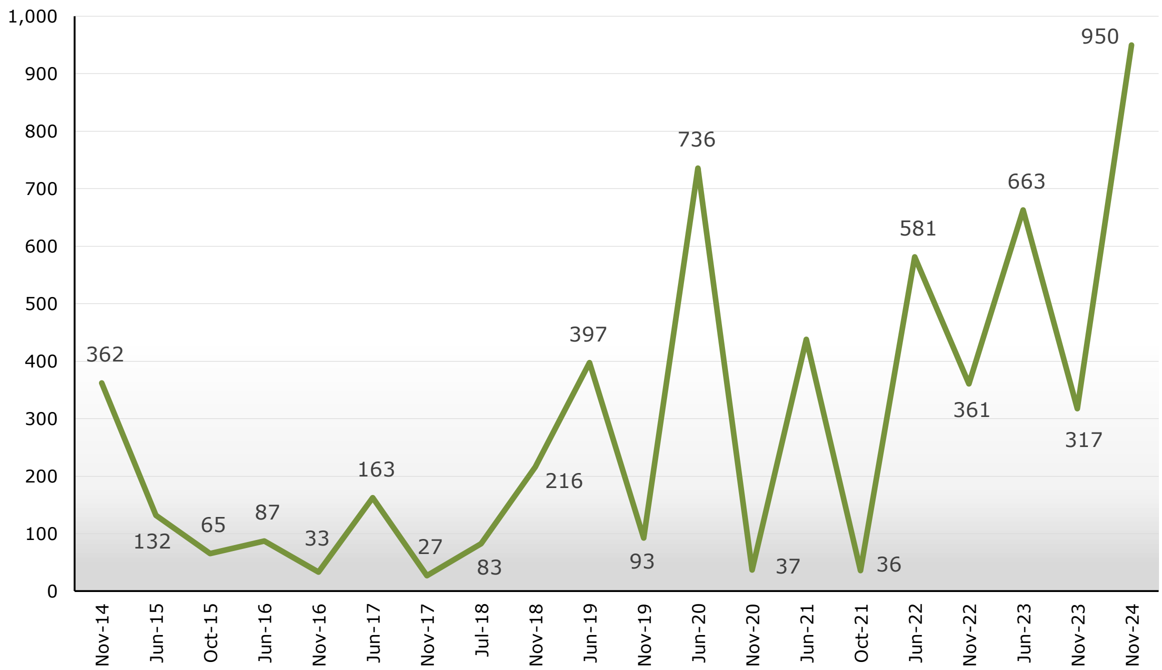
(%)

| | Mid-May to mid-Oct 19 | Mid-Oct 19 to mid-May 20 | Mid-May to mid-Oct 20 | Mid-Oct 20 to mid-May 21 | Mid-May to mid-Oct 21 | Mid-Oct 21 to mid-May 22 | Mid-May to mid-Oct 22 | Mid-Oct 22 to mid-May 23 | Mid-May to mid-Oct 23 | Mid-Oct 23 to mid-Oct 24 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Share in G20 imports** | 0.61 | 4.88 | 0.25 | 3.02 | 0.27 | 4.31 | 2.12 | 3.89 | 1.63 | 5.19 |
| **Share in world imports** | 0.48 | 3.78 | 0.19 | 2.32 | 0.20 | 3.30 | 1.64 | 3.00 | 1.26 | 3.82 |

Source: WTO Secretariat and UN Comtrade database.

3.9. The import-facilitating measures implemented during the review period targeted a wide range of products. Based on trade coverage estimates, the HS chapters within which most of the import-facilitating measures were taken include mineral fuels and oils (HS 27) (24.3%), electrical machinery and parts thereof (HS 85) (12.9%), machinery and mechanical appliances (HS 84) (8.9%), and organic chemicals (HS 29) (7.5%).

**Chart 3.3 Trade coverage of new import-facilitating measures identified in each period (not cumulative) in USD billion, November 2014 to November 2024**




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

Source: WTO Secretariat.

3.10. The trade coverage of the export-facilitating measures implemented during the review period was estimated at USD 119.9 billion, i.e. 0.67% of the value of G20 merchandise exports, or 0.49% of world merchandise exports (compared to 1.37 billion, i.e. 0.007% of the value of G20 merchandise exports in the last Report). Based on trade coverage estimates, most export-facilitating measures were implemented in HS Chapter 87, i.e. vehicles and parts thereof (80.7%).

3.11. The total trade coverage of the import- and export-facilitating measures implemented by G20 economies during the review period was estimated at USD 1,069.6 billion (up from USD 318.8 billion in the last Report), as shown in Chart 3.2.

## Trade remedy actions

3.12. During the review period, 395 trade remedy actions (305 initiations and 90 terminations) were recorded for G20 economies (Annex 2 of the Addendum), accounting for 63.0% of all measures recorded in this Report. Anti-dumping continued to be the most frequent trade remedy action, accounting for 78.0% of all initiations and 94.4% of all terminations.

3.13. The monthly average number of trade remedy initiations increased to 25.4 compared to 17.4 in 2023 but remained below the peak observed in 2020 (28.6 initiations per month) (Table 3.3 and Chart 3.4). The monthly average number of 7.5 trade remedy terminations recorded was the lowest since 2015.

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

| Type of measure | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Mid-Oct 23 to mid-Oct 24 (12 months) |
|---|---|---|---|---|---|---|---|---|---|---|
| **Initiations** | **210** | **262** | **258** | **223** | **221** | **343** | **172** | **100** | **209** | **305** |
| - AD | 175 | 226 | 213 | 168 | 174 | 279 | 153 | 80 | 175 | 238 |
| - CVD | 31 | 30 | 39 | 47 | 35 | 55 | 18 | 19 | 27 | 55 |
| - SG | 4 | 6 | 6 | 8 | 12 | 9 | 1 | 1 | 7 | 12 |
| *Average per month* | *17.5* | *21.8* | *21.5* | *18.6* | *18.4* | *28.6* | *14.3* | *8.3* | *17.4* | *25.4* |
| **Terminations** | **151** | **142** | **113** | **182** | **152** | **178** | **249** | **206** | **106** | **90** |
| - AD | 122 | 120 | 93 | 161 | 141 | 163 | 217 | 180 | 91 | 85 |
| - CVD | 19 | 15 | 10 | 21 | 6 | 12 | 21 | 24 | 9 | 5 |
| - SG[a] | 10 | 7 | 10 | 0 | 5 | 3 | 11 | 2 | 6 | 0 |
| *Average per month* | *12.6* | *11.8* | *9.4* | *15.2* | *12.7* | *14.8* | *20.5* | *17.2* | *8.8* | *7.5* |

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

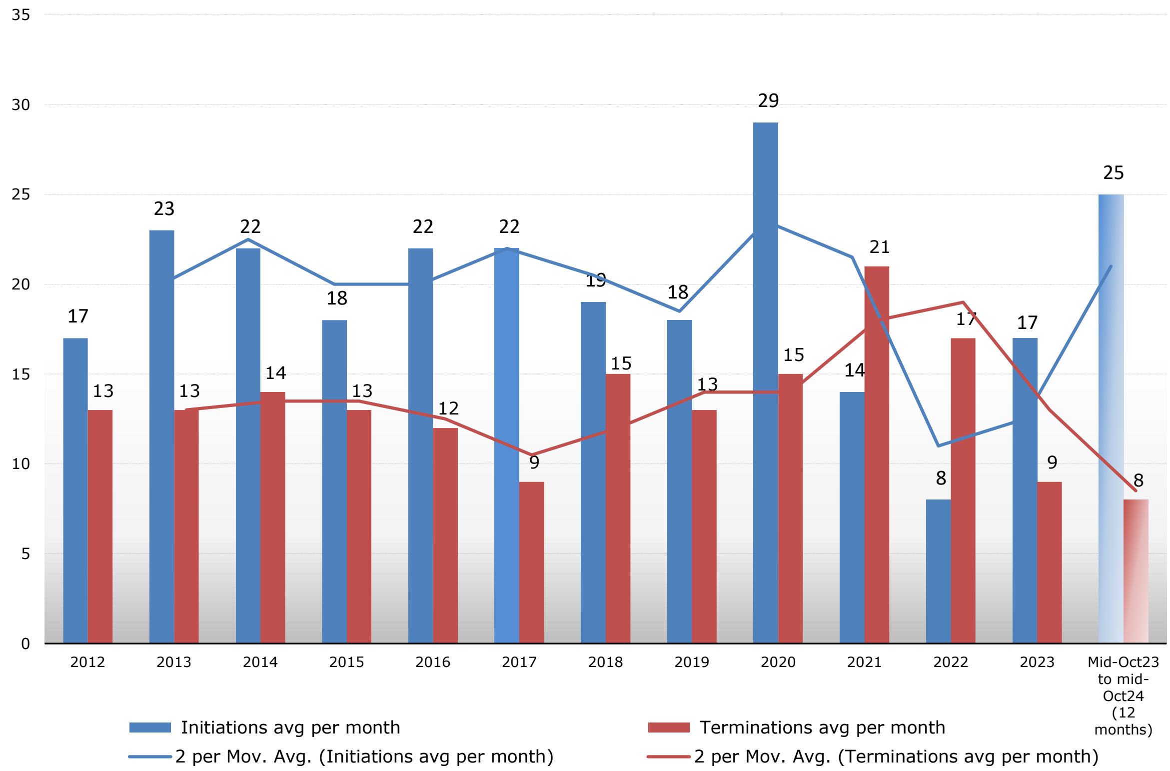
Note: The information on trade remedy actions for 2015 to 2023 is based on the semi-annual notifications. For the review period, information is also based on the responses and the verifications received directly from Members. Anti-dumping and countervailing investigations are counted based on the number (*n*) of exporting countries or customs territories affected by an investigation. Thus, one anti-dumping or countervailing investigation involving imports from *(n)* countries/customs territories is counted as *(n)* investigations.

Source: WTO Secretariat.

3.14. Trade remedy actions taken during the review period mainly included initiations of investigations on electrical machinery and parts thereof (HS 85) (18.7%) and iron and steel (HS 72) (10.3%).

3.15. The trade coverage of all trade remedy investigations initiated during the review period was estimated at USD 98.1 billion, i.e. 0.54% of the value of G20 merchandise imports or 0.39% of world imports (up significantly from USD 14.0 billion in the last Report), as shown in Table 3.4. For terminations, the trade coverage was valued at USD 6.4 billion, i.e. 0.035% of the value of G20 merchandise imports or 0.026% of world imports (up from USD 0.6 billion in the last Report).

**Chart 3.4 G20 trade remedy initiations and terminations, average number per month, 2012 to mid-October 2024**




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

Source: WTO Secretariat.

**Table 3.4 Share of trade covered by trade remedy initiations, mid-May 2019 to mid-October 2024**

(%)

| | Mid-May to mid-Oct 19 | Mid-Oct 19 to mid-May 20 | Mid-May to mid-Oct 20 | Mid-Oct 20 to mid-May 21 | Mid-May to mid-Oct 21 | Mid-Oct 21 to mid-May 22 | Mid-May to mid-Oct 22 | Mid-Oct 22 to mid-May 23 | Mid-May to mid-Oct 23 | Mid-Oct 23 to mid-Oct 24 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Share in G20 imports** | 0.11 | 0.16 | 0.23 | 0.11 | 0.08 | 0.02 | 0.003 | 0.04 | 0.07 | 0.54 |
| **Share in world imports** | 0.09 | 0.13 | 0.18 | 0.08 | 0.06 | 0.02 | 0.002 | 0.03 | 0.06 | 0.39 |

Source: WTO Secretariat and UN Comtrade database.

## Other trade and trade-related measures

3.16. A total of 91 other trade-related measures were recorded for G20 economies, representing 14.5% of the total number of measures recorded.[3] On the import side, 68 measures were recorded (74.7% of all restrictions). Most of the import restrictions recorded were increases of import tariffs, followed by stricter import procedures and quantitative restrictions (Table 3.5).

[3] Please see Box 1.1 for background of the categorization of measures.

3.17. On the export side, 22 export restrictions (24.2% of all restrictions) were captured during the review period, most of which were quantitative restrictions. Eight of these export restrictions covered food, feed, and fertilizers.

3.18. The number of export restrictions recorded has increased significantly since 2020. Initially, these restrictions were associated with the COVID-19 pandemic (Section 3.1.3). Subsequently, a peak was reached in the second half of 2022 as G20 economies introduced restrictions in the context of the war in Ukraine and the food security crisis. This review period witnessed a deceleration in the number of new export restrictions introduced.

**Table 3.5 Other trade and trade-related measures (Annex 3), 2015 to mid-October 2024**

| Type of measure | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Mid-Oct 23 to mid-Oct 24 (12 months) |
|---|---|---|---|---|---|---|---|---|---|---|
| **Import** | **60** | **44** | **37** | **55** | **42** | **36** | **27** | **47** | **67** | **68** |
| - Tariffs | 35 | 24 | 19 | 40 | 21 | 16 | 9 | 29 | 35 | 36 |
| - Customs procedures | 19 | 15 | 14 | 3 | 7 | 6 | 14 | 9 | 16 | 16 |
| - Taxes | 3 | 3 | 1 | 3 | 3 | 2 | 0 | 0 | 0 | 1 |
| - QRs | 3 | 2 | 2 | 8 | 9 | 7 | 2 | 6 | 12 | 12 |
| - Other | 0 | 0 | 1 | 1 | 2 | 5 | 2 | 3 | 4 | 3 |
| **Export** | **23** | **7** | **12** | **9** | **11** | **20** | **47** | **67** | **36** | **22** |
| - Duties | 5 | 1 | 3 | 5 | 1 | 4 | 5 | 13 | 8 | 3 |
| - QRs | 4 | 1 | 4 | 2 | 2 | 5 | 11 | 34 | 23 | 16 |
| - Other | 14 | 5 | 5 | 2 | 8 | 11 | 31 | 20 | 5 | 3 |
| **Other** | **6** | **8** | **9** | **0** | **0** | **0** | **3** | **0** | **0** | **1** |
| - Local content | 6 | 5 | 7 | 0 | 0 | 0 | 3 | 0 | 0 | 0 |
| - Other | 0 | 3 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| **Total** | **89** | **59** | **58** | **64** | **53** | **56** | **77** | **114** | **103** | **91** |
| *Average per month* | *7.4* | *4.9* | *4.8* | *5.3* | *4.4* | *4.7* | *6.4* | *9.5* | *8.6* | *7.6* |

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

Source: WTO Secretariat.

3.19. The trade coverage of the import-restrictive measures implemented during the review period was estimated at USD 598.1 billion, i.e. 3.27% of the value of G20 merchandise imports or 2.40% of world imports (markedly up from USD 124.3 billion in the last Report), as shown in Table 3.6 and Chart 3.5.

**Table 3.6 Share of trade covered by import-restrictive measures (Annex 3), mid-May 2019 to mid-October 2024**

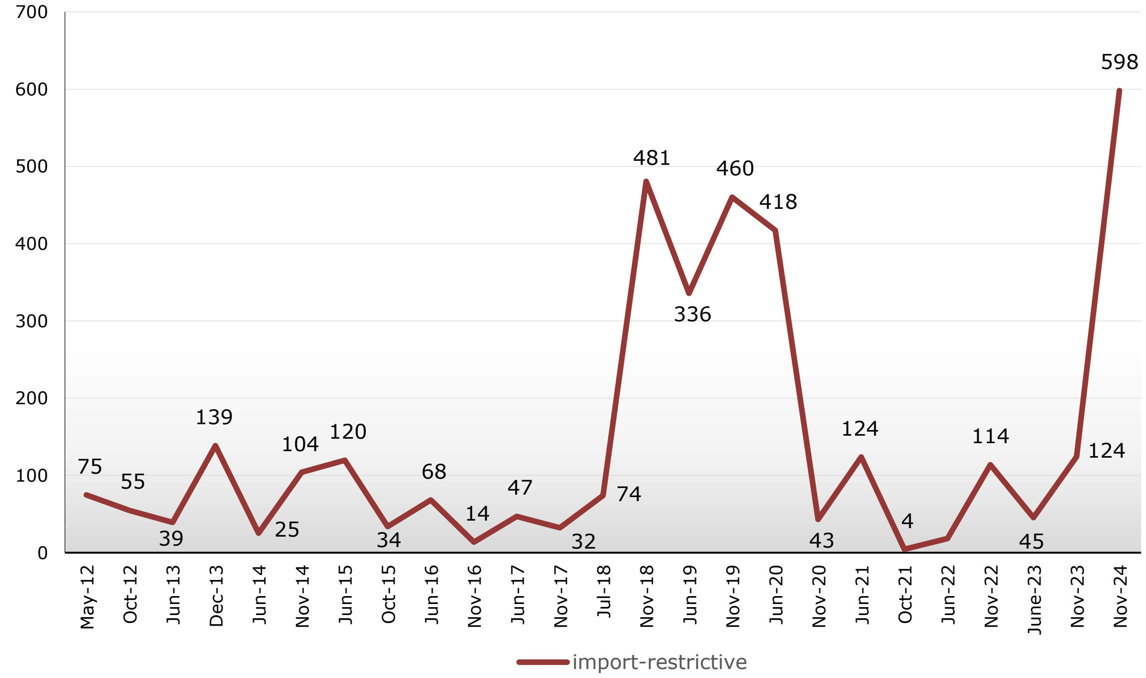
(%)

| | Mid-May to mid-Oct 19 | Mid-Oct 19 to mid-May 20 | Mid-May to mid-Oct 20 | Mid-Oct 20 to mid-May 21 | Mid-May to mid-Oct 21 | Mid-Oct 21 to mid-May 22 | Mid-May to mid-Oct 22 | Mid-Oct 22 to mid-May 23 | Mid-May to mid-Oct 23 | Mid-Oct 23 to mid-Oct 24 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Share in G20 imports** | 3.05 | 2.77 | 0.29 | 0.85 | 0.03 | 0.14 | 0.67 | 0.27 | 0.64 | 3.27 |
| **Share in world imports** | 2.36 | 2.14 | 0.23 | 0.66 | 0.02 | 0.10 | 0.52 | 0.21 | 0.49 | 2.40 |

Source: WTO Secretariat and UN Comtrade database.

3.20. The import restrictive measures recorded in Annex 3 cover a range of products. Based on trade coverage estimates, the main sectors affected were mineral fuels and oils (HS 27) (18.9%), machinery and mechanical appliances (HS 84) (13.8%), motor vehicles including parts and accessories thereof (HS 87) (11.3%), and electrical machinery and parts thereof (HS 85) (8.5%).

**Chart 3.5 Trade coverage of new import-restrictive measures identified in each period (not cumulative) in USD billion, May 2012 to November 2024**




Source: WTO Secretariat.

3.21. While this review period saw a deceleration in the introduction of new export restrictions, their trade coverage was estimated at USD 230.8 billion, i.e. 1.3% of the value of G20 merchandise exports or 0.9% of world exports (up from USD 121.7 billion in the last Report). The HS chapters within which most of the export-restrictive measures were taken include motor vehicles including parts and accessories thereof (HS 87) (48.8%), mineral fuels and oils (HS 27) (23.7%), and pharmaceutical products (HS 30) (7.1%).

3.22. Overall, the trade coverage of the import- and export-restrictive measures implemented by G20 economies during the review period was estimated at USD 828.9 billion (up from USD 246.0 billion in the last Report, as shown in Chart 3.2).

## Stockpile of import-restrictive measures

3.23. Estimating the roll-back of import-restrictive measures, and eventually the overall stockpile, is made complex by the fact that many temporary measures remain in place beyond the envisaged termination date. In addition, the Secretariat does not always receive timely, accurate information on changes to recorded measures. In 2024, the Secretariat shared with all WTO Members trade measures relating to goods recorded for each delegation in the TMDB since 2009 and asked for updated information on the measures, including termination dates. As a result of that exercise and the constructive cooperation of a large number of WTO Members, several measures have been updated and termination dates included. The figures below are estimates based on the latest available information recorded in the TMDB since 2009. These estimates are also conditioned by the availability of termination dates of the import-restrictive measures and of the HS codes of products covered.[4]

[4] Only import measures where HS codes were available are included in the calculation.

3.24. Table 3.7 and Chart 3.6 show that the stockpile of G20 import restrictions in force has grown steadily since 2009 – in value terms and as a percentage of world imports. Global imports decreased substantially in 2020 compared to 2019, as well as in 2023 compared to 2022. The decline was also reflected in G20 total imports and in the value of the G20 import restrictions in force. The trade covered by G20 import restrictions still in force in 2024 was estimated at USD 2,328 billion, representing 12.7% of total G20 imports, or 9.4% of world imports.

### Table 3.7 Cumulative trade coverage of G20 import-restrictive trade-related measures, 2015 to 2023

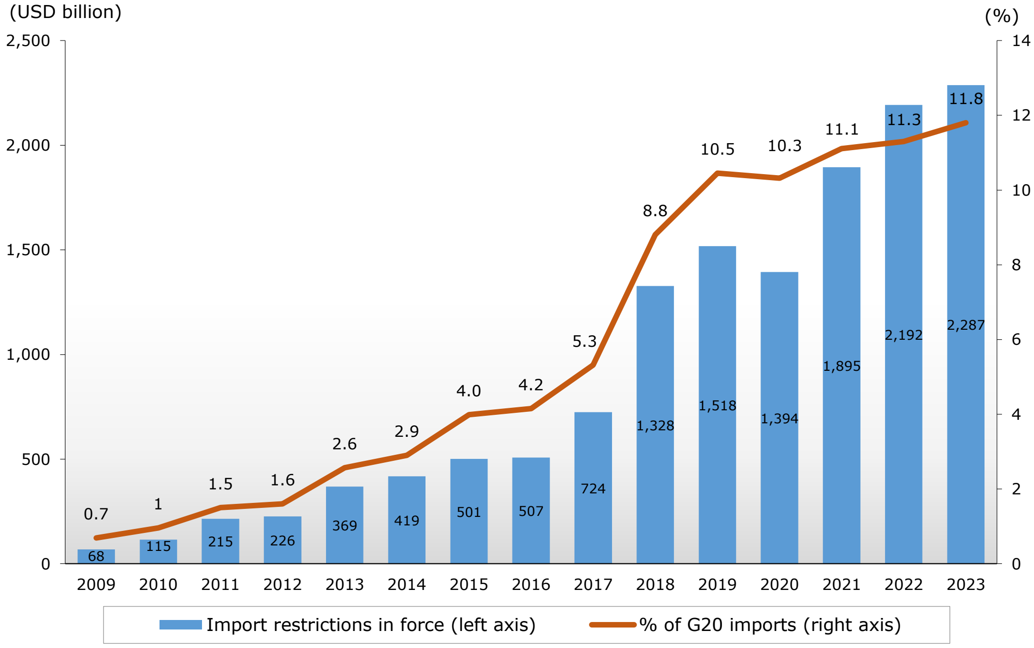
(USD billion, unless otherwise indicated)

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|---|---|---|---|
| **Total imports (world)** | **16,410** | **15,875** | **17,578** | **19,483** | **20,233** | **18,546** | **22,504** | **26,711** | **24,890** |
| **Total imports (G20)** | **12,493** | **12,172** | **13,522** | **15,005** | **14,550** | **13,498** | **17,050** | **19,461** | **18,313** |
| **Total G20 import restrictions in force** | **440** | **438** | **654** | **1,268** | **1,429** | **1,311** | **1,852** | **2,118** | **2,005** |
| Share in G20 imports (%) | 3.52 | 3.60 | 4.84 | 8.45 | 9.82 | 9.71 | 10.86 | 10.88 | 10.95 |
| Share in world imports (%) | 2.68 | 2.76 | 3.72 | 6.51 | 7.06 | 7.07 | 8.23 | 7.93 | 8.05 |
| **Total G20 import restrictions terminated per year** | **11.4** | **5.0** | **28.3** | **5.6** | **34.0** | **6.9** | **31.4** | **82.0** | **45.7** |
| Share in G20 imports (%) | 0.09 | 0.04 | 0.21 | 0.04 | 0.23 | 0.05 | 0.18 | 0.42 | 0.25 |
| Share in world imports (%) | 0.07 | 0.03 | 0.16 | 0.03 | 0.17 | 0.04 | 0.14 | 0.31 | 0.18 |

Note: 2022 to 2024 trade estimates are provisional and subject to changes based on the continuous updates to UN Comtrade data. The 2024 estimate is based on import restrictive measures up to 15 October 2024. For the Russian Federation and the Republic of Korea respectively, 2021 and 2022 import data were used as 2023 trade figures are not yet available.

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

### Chart 3.6 Cumulative trade coverage of G20 import-restrictive measures on goods in force since 2009




Note: The 2024 estimate is based on import-restrictive measures up to 15 October 2024. The cumulative trade coverage estimated by the Secretariat is based on information available in the TMDB on import measures recorded since 2009 and considered to have a trade-restrictive effect. The estimates include import measures for which HS codes were available. The figures do not include trade remedy measures. The import values were sourced from the UN Comtrade database.

Source: WTO Secretariat.

### 3.1.2 COVID-19 trade and trade-related measures

3.25. Since the beginning of the pandemic, 461 COVID-19 trade and trade-related measures in the area of goods[5] were introduced by WTO Members and Observers. Out of these, 182 (39.5%) were G20 measures, most of which were trade-facilitating (106 or 58.2%), while the remaining (76 or 41.8%) could be considered as trade-restrictive (Table 3.8 and Chart 3.7).

3.26. During the review period, one extension and 13 terminations of COVID-19 measures on goods by G20 economies were recorded. Of these, eight were terminations of import-facilitating measures, according to information either identified by the Secretariat or received from delegations.

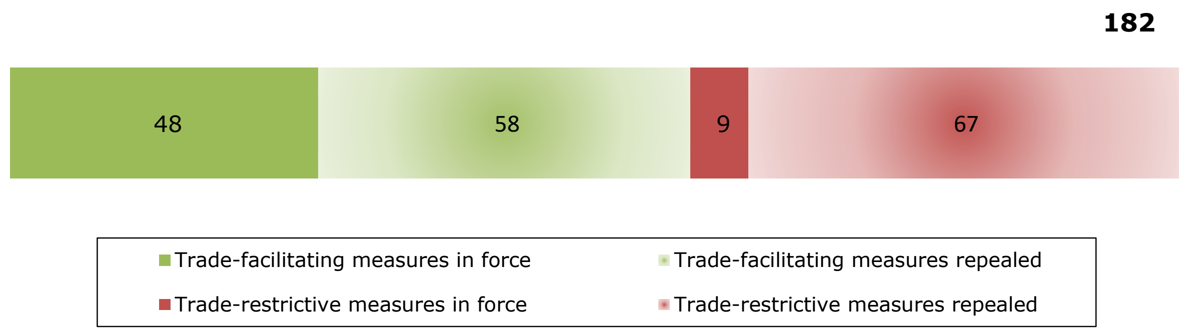
**Table 3.8 Number of COVID-19 trade and trade-related measures since the outbreak of the pandemic**

| | Facilitating | Rolled back | Restrictive | Rolled back | Total |
|---|---|---|---|---|---|
| **Import** | 73 | 44 | 1 | 0 | 74 |
| **Export** | 19 | 9 | 72 | 65 | 91 |
| **Other** | 14 | 5 | 3 | 2 | 17 |
| **Total** | **106** | **58** | **76** | **67** | **182** |

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

Source: WTO Secretariat.

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




Note: Values are rounded.

Source: WTO Secretariat.

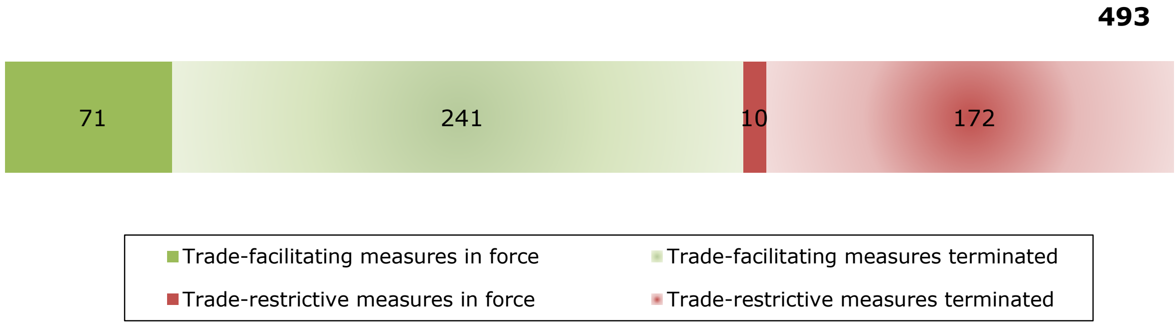
3.27. Most of the COVID-19 trade-facilitating measures (68.9%) introduced by G20 economies since the beginning of the pandemic were import measures, while most of the trade-restrictive measures (94.7%) targeted exports.

3.28. Several of the import-facilitating measures taken by G20 economies in response to the pandemic were reductions or eliminations of import tariffs and import taxes on a variety of goods, including personal protective equipment (PPE), sanitizers, disinfectants, medical equipment, and medicine/drugs. Extensions as well as expansions in the coverage of these measures have regularly taken place.

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

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

**Chart 3.8 Trade coverage of G20 COVID-19 trade and trade-related measures, by mid-October 2024, in USD billion**




Note: Values are rounded.

Source: WTO Secretariat.

3.30. The trade coverage[6] of the COVID-19 trade-facilitating measures implemented since the outbreak of the pandemic was estimated at USD 311.2 billion (Chart 3.8). The trade coverage of the trade-facilitating measures that have been terminated as of mid-October 2024 stood at USD 240.6 billion, according to WTO Secretariat estimates.

3.31. The trade coverage of trade-restrictive measures implemented since the outbreak of the pandemic was estimated at USD 181.4 billion. The trade coverage of restrictions that have been terminated as of mid-October 2024 amounted to USD 171.7 billion, indicating that G20 economies continued to phase out COVID-19-related trade restrictions.

### 3.1.3 Food, feed, and fertilizers – recent developments

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

#### Export restrictions on food, feed, and fertilizers

3.33. Since the outbreak of the war in Ukraine, the WTO Secretariat has identified 146 export trade-restrictive measures introduced by 39 WTO Members and 8 Observers on agricultural commodities. During the review period, 20 new export restrictions were identified, including 8 by G20 economies. As of mid-October 2024, 76 of all identified export restrictions had been phased out, bringing the number of restrictions in force to 70 (Chart 3.9).

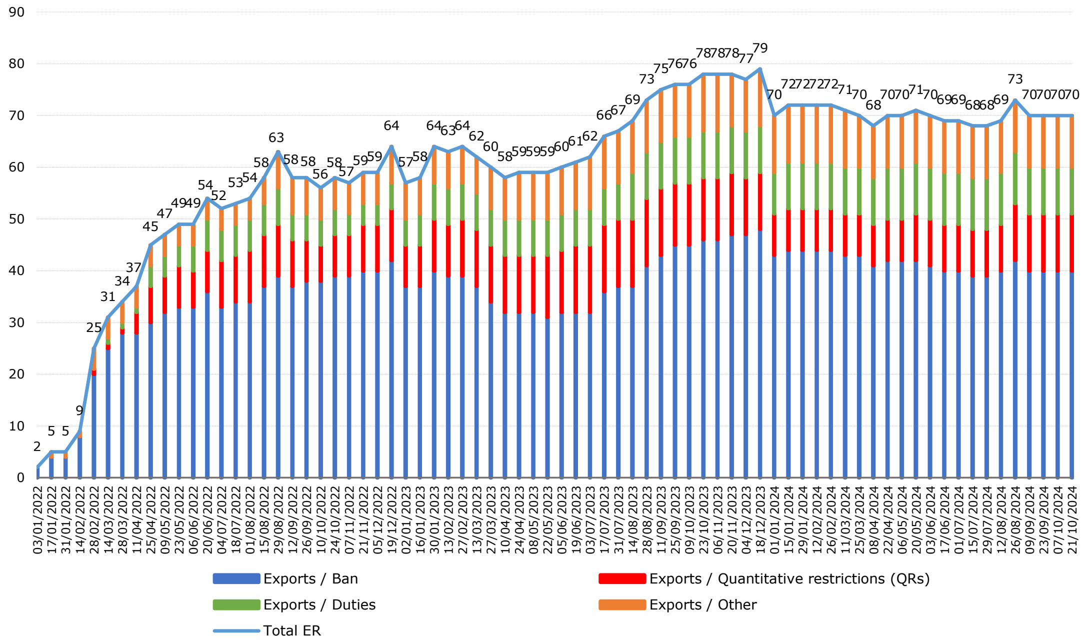
3.34. Since 24 February 2022, the trade coverage[7] of the export-restrictive measures introduced by all WTO Members and Observers is estimated at USD 116.9 billion (down from USD 133.9 billion in the last Report), out of which USD 12.2 billion referred to fertilizers. The trade coverage of the repealed export restrictions is estimated at USD 105.1 billion, of which USD 8.6 billion on fertilizers (up from USD 104.2 billion and USD 7.5 billion, respectively, in the last Report). Thus, the trade

[6] Including imports and exports and based on annual 2023 trade figures, except for the Russian Federation and the Republic of Korea (latest data available being, respectively, 2021 and 2022). The concordance to HS22 nomenclature was applied to the best extent possible. The value of world trade decreased in 2023 compared to 2022, thus, the latest trade coverage estimates are lower than compared to those included in the previous Report.

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

coverage of export restrictions that are still in place is estimated at USD 11.8 billion (down from USD 29.6 billion in the last Report).

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




Source: WTO Secretariat.

3.35. During the past 12 months, the rate at which export restrictions were introduced has more than halved compared to the previous yearly period. Export restrictions continue to target a wide range of agricultural products including wheat, onion, rice, sugar, and maize. The nature of the export restrictions remains diverse and includes export bans, quotas, duties, licensing requirements, and other restrictions.

## Import-facilitating measures on food, feed, and fertilizers

3.36. Since the beginning of the war in Ukraine, the WTO Secretariat has also identified 116 import-facilitating measures on various agricultural products, recorded for 69 WTO Members and 3 Observers. During the reporting period, 18 new import-facilitating measures were implemented, including 11 measures by G20 economies. Of all identified import-facilitating measures, 65 had been phased out or expired by mid-October 2024. Currently, 51 import-facilitating measures remain in force.

3.37. Since 24 February 2022, the trade coverage[8] of the import-facilitating measures introduced is estimated at USD 121.3 billion (slightly down from USD 128.4 billion in the last Report), out of which USD 12.9 billion referred to fertilizers (up from USD 2.7 billion in the last Report). The trade coverage of terminated import-facilitating measures is estimated at USD 61.3 billion (up from USD 45.6 billion in the last Report), of which USD 2.3 billion on fertilizers (up from USD 1.2 billion in the last Report). Therefore, the trade coverage of import-facilitating measures on food, feed, and fertilizers that are still in place is estimated at USD 60.0 billion (down from USD 82.9 billion in the last Report).

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

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

### National security

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

## 3.2 Trade remedies[9]

3.40. This Section provides an assessment of trends in the use of trade remedies by G20 economies during the following periods: July-December 2022, January-June 2023, July-December 2023, and January-June 2024.[10]

3.41. Initiations of anti-dumping and countervailing investigations by G20 economies has increased significantly in the most recent six-month period compared to the previous one. Anti-dumping actions are the most numerous among G20 trade remedy initiations and measures applied. Safeguard measures are subject to different rules and timelines compared to anti-dumping and countervailing actions as they apply to all exporting countries/customs territories.

### Anti-dumping measures[11]

3.42. The most recent data (January-June 2024) show an increase of 47% in the number of anti-dumping investigations initiated by G20 economies compared to the previous six-month period (July-December 2023). On a 12-month basis, the number of initiations increased significantly, from 112 in July 2022-June 2023 to 249 in July 2023-June 2024 (Table 3.9).

3.43. While anti-dumping investigations do not necessarily lead to the application of measures, an increase or decrease in the number of investigations initiated is an early indicator of a likely increase or decrease in the number of measures applied. Over the 24 months reviewed, 158 anti-dumping measures were applied by G20 economies (Table 3.9). However, as it can take up to 18 months for an anti-dumping investigation to be concluded, these measures may not necessarily be the result of initiations in the same period.

**Table 3.9 Number of G20 initiations of anti-dumping investigations and measures applied**

| G20 economy | July-Dec 2022 | | Jan-June 2023 | | July-Dec 2023 | | Jan-June 2024 | |
|---|---|---|---|---|---|---|---|---|
| | Initiations | Measures | Initiations | Measures | Initiations | Measures | Initiations | Measures |
| Argentina | 4 | 7 | 6 | 2 | 0 | 4 | 1 | 0 |
| Australia | 0 | 1 | 0 | 0 | 3 | 0 | 4 | 0 |
| Brazil | 0 | 5 | 4 | 3 | 3 | 0 | 14 | 0 |
| Canada | 0 | 1 | 1 | 0 | 0 | 1 | 7 | 0 |

[9] This Section is without prejudice to Members' right to take trade remedy actions under the WTO.
[10] These periods coincide with the periods covered by Members' semi-annual reports of anti-dumping and countervailing actions.
[11] Anti-dumping and countervailing investigations are counted on the basis of the number *"(n)"* of exporting countries or customs territories affected by an investigation. Thus, one anti-dumping or countervailing investigation involving imports from *(n)* countries or customs territories is counted as (*n*) investigations.

| G20 economy | July-Dec 2022 | | Jan-June 2023 | | July-Dec 2023 | | Jan-June 2024 | |
|---|---|---|---|---|---|---|---|---|
| | Initiations | Measures | Initiations | Measures | Initiations | Measures | Initiations | Measures |
| China | 1 | 0 | 0 | 1 | 1 | 0 | 7 | 1 |
| European Union[a] | 2 | 4 | 2 | 4 | 8 | 1 | 7 | 4 |
| India | 21 | 5 | 16 | 4 | 29 | 10 | 43 | 16 |
| Indonesia | 0 | 0 | 4 | 0 | 6 | 0 | 0 | 0 |
| Japan | 0 | 2 | 0 | 0 | 0 | 0 | 1 | 0 |
| Korea, Republic of | 0 | 2 | 3 | 7 | 0 | 0 | 3 | 1 |
| Mexico | 3 | 0 | 2 | 5 | 2 | 1 | 2 | 2 |
| Russian Federation[b] | 0 | 1 | 4 | 2 | 1 | 0 | 1 | 0 |
| Saudi Arabia, Kingdom of (as part of GCC)[c] | 0 | 2 | 1 | 5 | 3 | 0 | 0 | 0 |
| Saudi Arabia, Kingdom of[d] | 0 | 0 | 0 | 0 | 4 | 0 | 2 | 0 |
| South Africa[e] | 2 | 6 | 0 | 6 | 1 | 1 | 0 | 2 |
| Türkiye | 0 | 5 | 0 | 1 | 6 | 0 | 17 | 0 |
| United Kingdom | 0 | 1 | 0 | 0 | 1 | 1 | 4 | 0 |
| United States | 5 | 5 | 31 | 8 | 33 | 6 | 35 | 12 |
| **Total** | **38** | **47** | **74** | **48** | **101** | **25** | **148** | **38** |

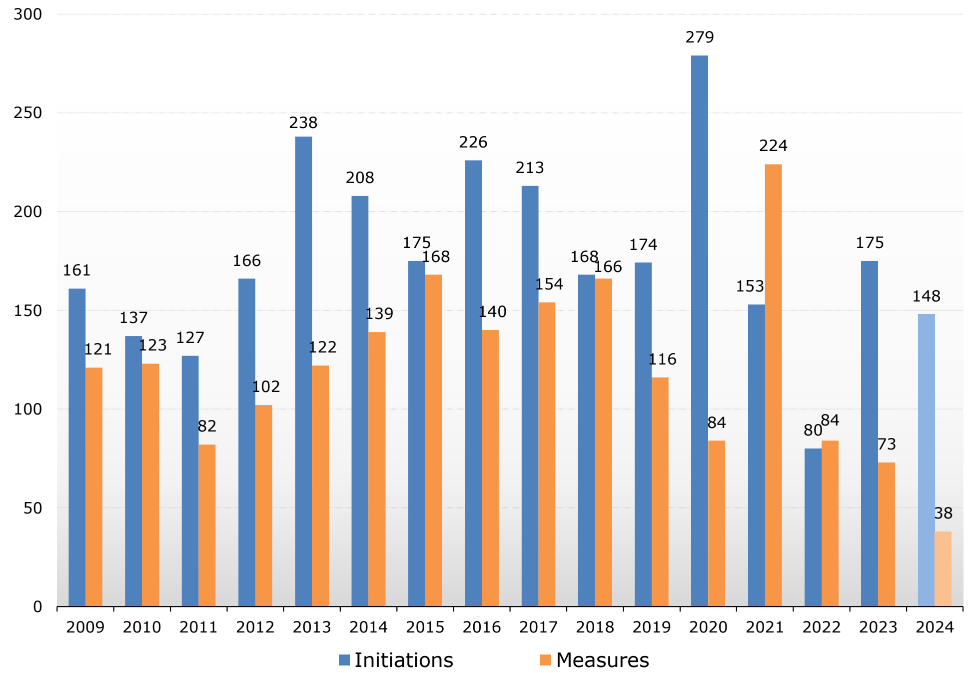
a The European Union is counted as one.
b Notified by the Russian Federation, but investigations are initiated by the Eurasian Economic Union on behalf of all of its members, i.e. Armenia, Kyrgyz Republic, Kazakhstan, and Belarus (non-WTO Member) collectively.
c Notified by all Gulf Cooperation Council (GCC) member States collectively, as investigations are initiated by the GCC regional investigating authority on behalf of all GCC member States.
d Notified by the Kingdom of Saudi Arabia individually, as these investigations are initiated by its own investigating authority and not by the GCC regional investigating authority.
e Notified by South Africa, but investigations are initiated at the level of the Southern African Customs Union (SACU), i.e. also in respect of Botswana, Eswatini, Lesotho and Namibia.

Source: WTO Secretariat.

3.44. In terms of products affected by initiations of anti-dumping investigations, in the first period examined, most initiations focused on products in the chemicals, metals, and machinery sectors. In the second period, the concentration changed to metals, plastics, and miscellaneous manufacturing sectors and in the most recent two periods, it shifted to metals, plastics and chemicals sectors.

3.45. Chart 3.10 provides an overview of anti-dumping activities of G20 economies since the first monitoring report was circulated in September 2009.

### Chart 3.10 Number of G20 anti-dumping investigations and measures applied, 2009-24




Note: Data for 2024 relate to the January to June period.

Source: WTO Secretariat.

### Countervailing measures

3.46. The most recent data (January-June 2024) show a significant increase in the number of countervailing duty investigations initiated by G20 economies compared to the previous six-month periods. Similarly, the number of initiations has increased on a 12-month basis, from 12 in July 2022-June 2023 to 52 in July 2023-June 2024 (Table 3.10).

3.47. Over the 24 months of the review period, 21 countervailing measures were applied by G20 economies. It should be noted that as it can take up to 18 months for a countervailing investigation to be concluded, these measures may not necessarily be the result of initiations in the same period.

### Table 3.10 Number of G20 initiations of countervailing investigations and measures applied

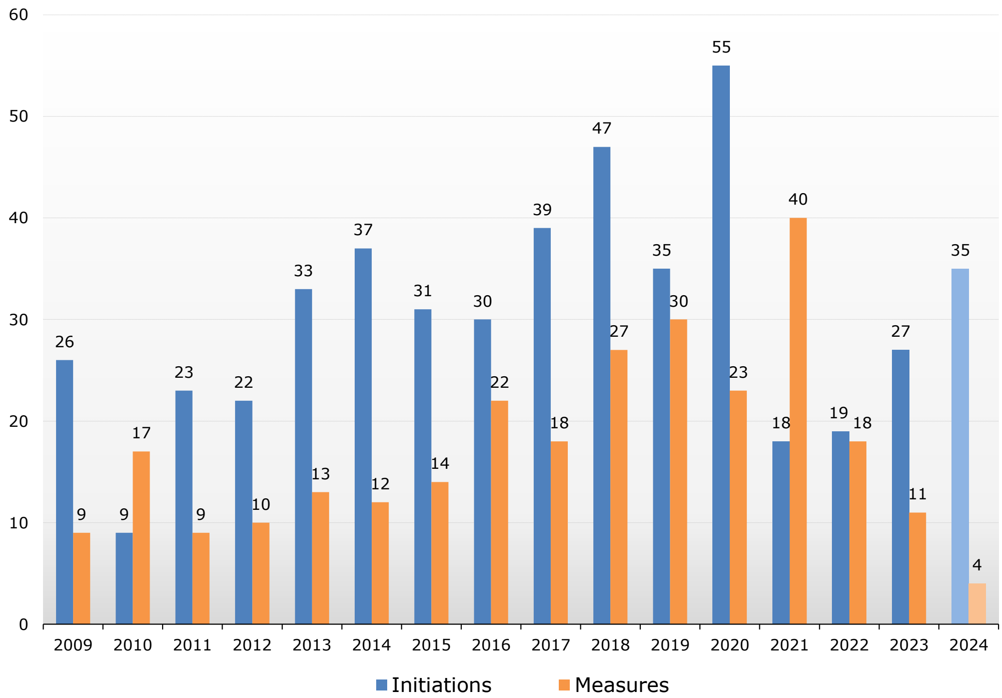
| G20 economy | July-Dec 2022 | | Jan-June 2023 | | July-Dec 2023 | | Jan-June 2024 | |
|---|---|---|---|---|---|---|---|---|
| | Initiations | Measures | Initiations | Measures | Initiations | Measures | Initiations | Measures |
| Australia | 0 | 0 | 0 | 0 | 0 | 0 | 3 | 0 |
| Brazil | 0 | 2 | 1 | 0 | 0 | 0 | 0 | 0 |
| Canada | 0 | 1 | 1 | 0 | 0 | 1 | 1 | 0 |
| European Union[a] | 0 | 0 | 0 | 0 | 2 | 0 | 3 | 0 |
| India | 0 | 0 | 0 | 3 | 3 | 0 | 2 | 0 |
| Mexico | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 |
| United Kingdom | 0 | 0 | 0 | 0 | 1 | 2 | 0 | 0 |
| United States | 2 | 3 | 8 | 3 | 11 | 2 | 25 | 4 |
| **Total** | **2** | **6** | **10** | **6** | **17** | **5** | **35** | **4** |

a The European Union is counted as one.

Source: WTO Secretariat.

3.48. Chart 3.11 presents the number of initiations and measures by G20 economies from 2009 to the first half of 2024. The data show a fluctuating trend, with initiations generally surpassing measures across most years. This consistent gap between initiations and measures highlights the time-lagged nature of countervailing investigations, and the higher number of initiations in 2024 suggests that more measures could be expected in the near future.

### Chart 3.11 Number of G20 countervailing investigations and measures applied, 2009-24




Note: Data for 2024 relate to the January to June period.

Source: WTO Secretariat.

3.49. Various sectors were targeted by G20 economies' countervailing investigations, with metal products accounting for 17 of the 64 initiations over the 24 months examined. During that period, chemical products and machinery accounted for the second- and third-largest numbers of investigations, with 14 and 10 initiations, respectively.

### Anti-dumping and countervailing initiations by trading partner

3.50. Between 2008 and the first half of 2024, approximately 70% of all G20 anti-dumping and countervailing initiations involved products from other G20 economies. Anti-dumping and countervailing initiations on products from other G20 members accounted for between 52% and 100% of each individual G20 economy's total initiations. China remained the most frequent subject of initiations reported during this period, accounting for 30% of all initiations. The second most frequent G20 economy targeted by initiations during this period was the Republic of Korea, accounting for 6% of all initiations.

### Safeguard measures

3.51. Safeguard measures are temporary measures applied in response to increased imports of goods that are causing serious injury, and are applied on products from all sources, i.e., all exporting countries/customs territories.[12] Safeguard measures are subject to different rules and timelines than anti-dumping and countervailing measures and are, therefore, not directly comparable to these other

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

types of trade remedies. Table 3.11 shows the G20 economies that initiated investigations and applied measures in the covered period.

**Table 3.11 Number of G20 initiations of safeguard investigations and measures applied**

| G20 economy | July-Dec 2022 | | Jan-June 2023 | | July-Dec 2023 | | Jan-June 2024 | |
|---|---|---|---|---|---|---|---|---|
| | Initiations | Measures | Initiations | Measures | Initiations | Measures | Initiations | Measures |
| India | 1 | 0 | 1 | 2 | 0 | 0 | 0 | 1 |
| Indonesia | 0 | 0 | 0 | 0 | 5 | 0 | 0 | 0 |
| South Africa[a] | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 |
| Türkiye | 0 | 1 | 0 | 0 | 1 | 0 | 3 | 1 |
| United States | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 |
| **Total** | **1** | **1** | **1** | **2** | **6** | **0** | **5** | **2** |

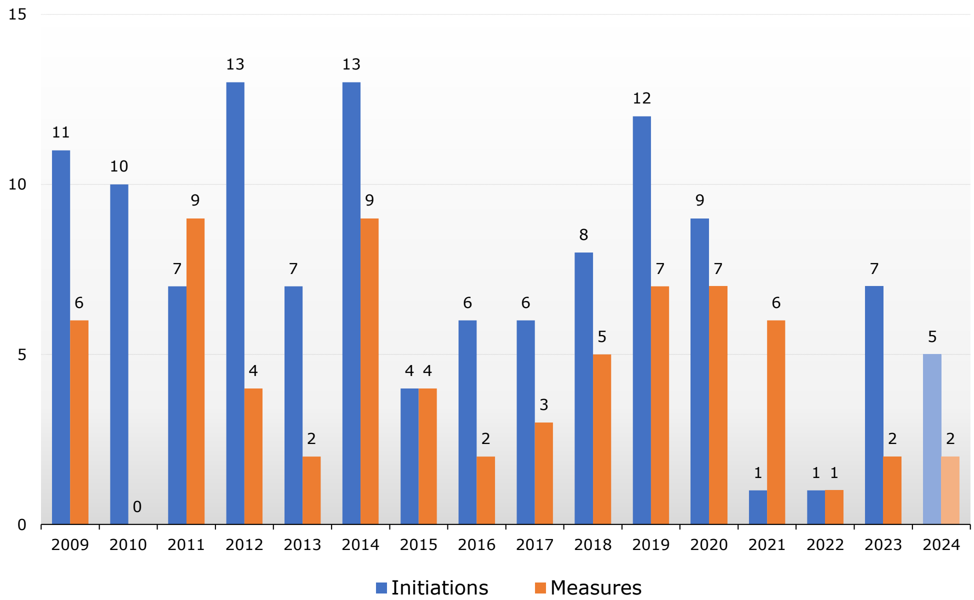
a Notified by South Africa, but investigations are initiated at the level of the Southern African Customs Union (SACU), i.e. also in respect of Botswana, Eswatini, Lesotho and Namibia.

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

Source: WTO Secretariat.

3.52. Chart 3.12 shows the number of initiations of safeguard investigations and application of measures by G20 economies on a calendar-year basis. In the latest six-month period (January-June 2024), five investigations were initiated, and two measures were applied. The preliminary figures available as of October 2024 suggest that for the full year 2024, the number of initiations may be slightly lower than for 2023, but the number of applications would be higher than 2023. Overall, the level of safeguard activity among the G20 economies remains low in historical terms.

**Chart 3.12 Number of G20 initiations of safeguard investigations and measures applied, 2009-24**




Note: Data for 2024 relate to the January to June period.

Source: WTO Secretariat.

## 3.3 Sanitary and phytosanitary (SPS) measures[13]

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

### SPS activities, developments and notifications

3.54. Under the SPS Agreement, WTO Members are obliged to provide an advance notification of intention to introduce new or modified SPS measures[14], 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 modified regulations that may significantly affect trade. Therefore, an increase in the number of notifications does not automatically imply greater protectionism but can be due to enhanced transparency and/or a greater number of legitimate health-protection measures.

3.55. G20 economies rank among the main "notifiers" of SPS measures, accounting for about 63% of total regular notifications (including revisions and addenda), and 36% of emergency notifications, submitted to the WTO from 1 January 1995 until 30 September 2024. For the current review period, from 1 October 2023 to 30 September 2024, Brazil, Canada, the European Union, and Japan were among the top 10 WTO Members who submitted the most notifications to the WTO (regular and emergency including addenda), accounting for about 62% of all the notifications submitted by G20 economies in that period.

3.56. Many G20 economies are following the recommendation to notify SPS measures even when these are based on a relevant international standard, thereby substantially increasing the transparency regarding these measures (Chart 3.13). Of the 546 regular notifications (including revisions and excluding addenda) submitted by G20 economies during the current review period, 43% indicated that an international standard, guideline, or recommendation was relevant to the notified measure, out of which about 71% referred to Codex, 20% to International Plant Protection Convention (IPPC) and 9% to the World Organisation for Animal Health (WOAH, founded as OIE). Of these, 73% indicated that the measure was in conformity with, or substantially the same as, the existing international standard, guideline, or recommendation. Of the remaining notifications, which indicated that the measure was not in conformity with the existing international standard, Codex was the relevant international standard-setting body identified in all of the notifications. Regarding emergency notifications for the current reporting period, all but two of the emergency measures notified by G20 economies indicated conformity with a relevant international standard, guideline, or recommendation, this being a WOAH animal health standard in most cases.

3.57. The objective most frequently identified in the SPS measures notified by G20 economies during the review period (excluding addenda) was food safety, accounting for 68% of all notifications.[15] Food safety is a particularly important objective in the G20 economies' notifications,

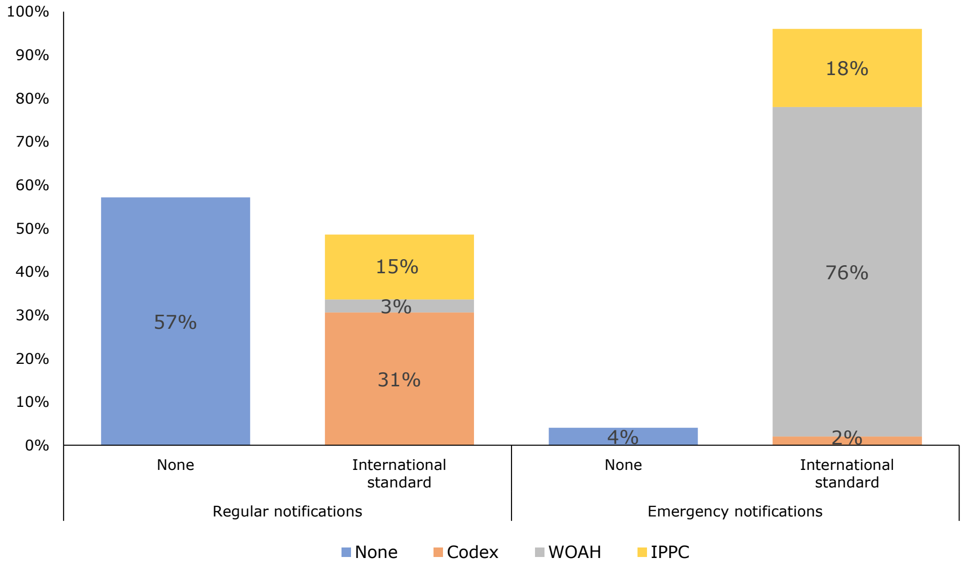
[13] Information presented in this Section was retrieved from the ePing SPS&TBT Platform. More detailed searches on STCs have been undertaken in the Trade Concerns Database. For more information, see also annual report G/SPS/GEN/804/Rev.16, G/SPS/GEN/204/Rev.24, 1 February 2024.

[14] Transparency obligations are contained in Article 7 and Annex B to 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, last updated in January 2023 (WTO document G/SPS/7/Rev.5, 16 January 2023), recommend that Members also notify measures which are based on the relevant international standards, and that they apply a broad interpretation of effects on trade. WTO document G/SPS/7/Rev.5 was updated in January 2023 to reflect relevant changes in the set of tools available for Members to search for SPS-related information, namely the new ePing SPS&TBT Platform.

[15] The objective of an SPS measure falls under one or more of the following categories: (i) food safety, (ii) animal health, (iii) plant protection, (iv) protection of humans from animal/plant pest or disease, and (v) protection of 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.

as most notified measures are related to maximum residue limits (MRLs) or pesticides, and in many notifications these keywords, as well as the food safety keyword, were identified.

### Chart 3.13 Regular and emergency SPS notifications and international standards (including revisions and excluding addenda)




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

Source: WTO Secretariat.

### Specific trade concerns (STCs)

3.58. Measures maintained by G20 economies are often discussed in the SPS Committee. Out of 68 STCs raised or discussed in the November 2023, March and June 2024 SPS Committee meetings[16], 64 (94%) involved a G20 economy. Of these, 15 were raised for the first time and 49 previously raised STCs were discussed again (Table 3.12).

3.59. The STCs raised in the SPS Committee on measures maintained by G20 economies account for 79% of all STCs raised since 1995. Moreover, the top 10 WTO Members most frequently responding to an STC since 1995 are all G20 economies.

3.60. Out of the 64 STCs raised in the review period involving a G20 economy, 51 related to measures maintained by G20 economies. Nine of these were raised for the first time, and the remaining had been discussed in previous Committee meetings. Among the latter, 9 addressed persistent problems discussed 15 times or more (Table 3.13).

### Table 3.12 STCs with participation of G20 economies raised in the November 2023, March and June 2024 SPS Committee meetings

| Meetings | Total STCs raised with participation of G20 economies | | G20 economies raising | | G20 economies supporting | | G20 economies responding | |
|---|---|---|---|---|---|---|---|---|
| | New | Previously raised | New | Previously raised | New | Previously raised | New | Previously raised |
| November 2023, March and June 2024 | 15 | 49 | 13 | 45 | 0 | 14 | 9 | 42 |

Source: WTO Secretariat.

[16] WTO documents G/SPS/R/111, G/SPS/R/112, and G/SPS/R/114 and Trade Concerns Database.

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

| STC ID | Title of the STC | Member(s) responding | Member(s) raising the concern (total number of Members supporting) | First date raised (times subsequently raised) | Primary objective |
|---|---|---|---|---|---|
| 193 | General import restrictions due to Bovine Spongiform Encephalopathy (BSE) | Several Members, including China | European Union, United States (4 Members) | 22/06/2004 (51 times) | Animal health/Animal diseases |
| 382 | European Union legislation on endocrine disruptors | European Union | Argentina, China, Dominican Republic, Ecuador, Guatemala, India, Panama, Paraguay, Peru, United States (50 Members) | 25/03/2014 (29 times) | Food safety |
| 406 | China's import restrictions due to highly pathogenic avian influenza | China | European Union, United States (2 Members) | 16/03/2016 (23 times) | Animal health/Animal diseases |
| 392 | China's import restrictions due to African swine fever | China | European Union | 15/07/2015 (21 times) | Animal health/Animal diseases |
| 431 | South Africa's import restrictions on poultry due to highly pathogenic avian influenza | South Africa | European Union (3 Members) | 02/11/2017 (19 times) | Animal health/Animal diseases |
| 439 | United States import restrictions on apples and pears | United States | European Union | 01/03/2018 (19 times) | Plant health |
| 441 | Indonesia's approval procedures for animal and plant products | Indonesia | European Union, Russian Federation (4) | 12/07/2018 (18 times) | Other concerns |
| 448 | EU MRLs for alpha-cypermethrin, buprofezin, chlorothalonil, chlorpyrifos, chlorpyrifos-methyl, cypermethrin, diflubenzuron, ethoxysulfuron, glufosinate, imazalil, ioxynil, iprodione, mancozeb, molinate, picoxystrobin and tepraloxydim | European Union | China, Colombia, Costa Rica, Côte d'Ivoire, Dominican Republic, Ecuador, Guatemala, India, Panama, Paraguay, Peru, United States (27 Members) | 01/11/2018 (17 times) | Food safety |
| 446 | EU review of legislation on veterinary medicinal products | European Union | Argentina, United States (10) | 12/07/2018 (15 times) | Food safety |

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

Source: WTO Secretariat.

3.61. Out of the 51 STCs related to measures maintained by G20 economies discussed in the review period, 17 concerned measures on food safety, 12 were on animal health/animal diseases, 7 were on plant health, and 15 related to other types of concerns. Discussions among Members in the SPS Committee continue to be multifaceted and dynamic.

## COVID-19 related SPS measures

3.62. From 1 February 2020 until 30 September 2024, 31 WTO Members submitted a total of 133 notifications and communications related to measures taken in the wake of the COVID-19 pandemic. Besides, 40 WTO Members, including G20 economies, submitted one communication (GEN document) requesting the suspension of the processes and entry into force of reductions of maximum residue limits (MRLs) for plant protection products in light of the COVID-19 pandemic. Of the 133 notifications and communications, 53 (excluding corrigenda) were submitted by 15 G20 economies. Eleven measures were notified as regular notifications; additionally, 12 addenda to regular measures were notified, mainly extending the implementation or the comment period of previously notified measures. Nine measures[17] were notified as emergency measures and three measures were submitted through a GEN document.[18] The last document submitted by a G20 economy was received on 16 November 2022.

3.63. Initially, these measures mainly related to restrictions on animal imports and/or transit from affected areas (some of these measures have already been lifted) and increased certification requirements. Since the beginning of April 2020, most notifications and communications submitted relate to measures taken to facilitate trade by allowing temporary flexibility for control authorities to use electronic certificates for checks. Of the notifications and communications submitted by G20 economies, more than half referred to measures considered as trade facilitating.

### MC12 SPS Declaration "Responding to Modern SPS Challenges"

3.64. At the November 2023 meeting, the factual summary of the MC12 SPS Declaration Work Programme, prepared by the Secretariat, was adopted by the SPS Committee.[19] The Committee also prepared a draft report in accordance with the mandate established in the MC12 SPS Declaration to report on key findings and actions to MC13.[20] Some Members could not agree to the adoption of the draft report at the November 2023 meeting. In March 2024, several Members expressed their disappointment that the report had not been adopted, while one Member indicated that its position had not changed. At the June 2024 meeting, the draft report was adopted by the SPS Committee. It details key findings of the MC12 SPS Declaration Work Programme and includes recommendations for the Committee moving forward. The report was subsequently circulated as G/SPS/72.

## 3.4 Technical Barriers to Trade (TBT)

3.65. G20 economies remain the most frequent users of the TBT Committee's transparency mechanisms. Most of the new regular TBT notifications submitted by G20 economies during the review period indicated the protection of human health or safety as their main objective. The top five notifying G20 economies were China, the United States, the European Union, Brazil, and the Republic of Korea. All persistent STCs discussed during the review period concerned G20 measures. Since the outbreak of the pandemic in early 2020, some 34 WTO Members have submitted 237 COVID-19-related TBT notifications to the WTO. G20 economies submitted 149 out of 237 TBT notifications (63%) in response to the pandemic.

### Notifications submitted to the TBT Committee

3.66. The G20 economies remain the most frequent users of the TBT Committee's transparency mechanisms, having submitted 40% of all TBT notifications since 1995.[21] Under the TBT Agreement, Members are required to notify their intention to introduce new or modified technical regulations and conformity assessment procedures, or to notify adopted emergency measures immediately. The principal objective of complying with the TBT notification obligations is to inform other Members about new or changed regulations that may significantly affect trade and provide an opportunity for comments.

3.67. From 1 October 2023 to 1 October 2024 (the review period), G20 economies submitted 709 new regular notifications of TBT measures[22] out of 2,234 by all Members (about 32%). The top five notifying G20 economies were China (149), the United States (100), the European Union (72), Brazil (66) and the Republic of Korea (62). Most of these notifications indicated as their main objective the protection of human health or safety. Various other notifications related to protection of the

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[17] Two subsequent addenda were notified to withdraw restrictions imposed in some emergency measures.

[18] The remaining communications refer to COVID-19 documents relevant to the Committee meetings.

[19] The factual summary of the MC12 SPS Declaration Work Programme is available in WTO document G/SPS/70, 21 November 2023.

[20] This draft report is available in WTO document G/SPS/W/344/Rev.3, 14 November 2023.

[21] Since 1995, over 38,740 new notifications of TBT measures have been submitted by Members, 15,439 (40%) of which were by G20 economies. Overall, 55,119 new and follow-up notifications of TBT measures have been submitted, 23,430 (43%) of which were notified by G20 economies.

[22] Viewed at: ePing SPS&TBT platform.

environment, quality requirements, prevention of deceptive practices and consumer protection and consumer information, labelling.

3.68. G20 economies sent 598 (around 28%) follow-up notifications (i.e. addenda, corrigenda, or supplements). The frequent use of follow-up notifications is positive as it increases transparency and predictability across the measures' regulatory lifecycle.

### Measures discussed in the TBT Committee (STCs)[23]

3.69. The TBT Committee is used as a forum for discussing trade issues related to specific TBT measures proposed or maintained by other Members. Issues can range from requests for additional information and clarification to questions on the consistency of measures with TBT Agreement disciplines.

3.70. A total of 194 (33 new and 161 previously raised) STCs were discussed during the review period. Seventy-six per cent (25 of 33) of these new STCs concerned measures maintained by G20 economies. These new STCs covered regulations on a range of products (e.g. electric vehicles, alcoholic beverages, food products, toys, wines, furniture, cookware, medical textiles, pharmaceutical products, motor pumps, washing machines and personal computers), and dealt with a variety of issues (e.g. cybersecurity certification, animal welfare regulations, deforestation, labelling, international standards, regulatory fragmentation, quality infrastructure, duplicative testing, and transparency).

3.71. During the review period, 9 persistent STCs were discussed (these STCs have each been previously raised on more than 16 occasions in the TBT Committee meetings). All these persistent STCs concerned measures by G20 economies.

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

### Box 3.1 TBT and animal welfare

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

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

Beyond notifications, WTO Members have raised and discussed 13 specific trade concerns (STCs) in the TBT Committee involving adopted or proposed regulations concerning animal welfare.[c] Such STCs concerned measures maintained by the European Union and its member States, the United States, Guatemala, China, and New Zealand. Measures subject to these STCs took the form, *inter alia*, of requirements for animal slaughter and confinement, restrictions on the importation, processing and marketing of seal products, animal testing for cosmetic products and certification requirements. Members raising these STCs were concerned, specifically, with failure to comply with some of the obligations under the TBT Agreement, including transparency, avoidance of unnecessary obstacles to international trade, harmonization based on international standards, recognition of equivalence of regulations as well as special and different treatment. In addition, in their STCs, Members tended to request further technical and scientific information regarding the rationale for regulatory measures on animal welfare.

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

[23] With respect to specific trade concerns (STCs), this Section takes account of the STCs raised in the TBT Committee meetings of 8-10 November 2023, 13-15 March 2024 and 5-7 June 2024.

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

## 3.5 Policy developments in agriculture

3.73. During the review period, the Committee on Agriculture (CoA) held three regular meetings on 27-29 November 2023, 23-24 May 2024, and 25-26 September 2024.[24] Domestic support dominated the discussions in the CoA, in particular regarding measures and notifications by Australia, Brazil, Canada, the European Union, India, and the United States. Import and export restrictions from G20 economies were also extensively discussed during the review period.

3.74. The CoA provides a forum for WTO Members to discuss matters related to agricultural trade, and to consult on matters related to the implementation of commitments under the Agreement on Agriculture (AoA). The review work of the CoA is based on notifications that Members make in relation to their commitments and on matters raised under Article 18.6 of the AoA (i.e. Specific Implementation Matters (SIMs)). During the period under review, 65% (416) of all questions raised in the Committee concerned agricultural policies implemented by G20 economies.[25]

3.75. The vast majority of issues raised in the CoA during the review period concerned domestic support and export-limiting measures. On notifications, a total of 98 notifications were submitted by G20 economies between 15 October 2023 and 15 October 2024. A total of 207 questions concerned G20 economies' individual notifications (63% of the total number of questions). About 85% of these questions related to domestic support notifications and 11% related to notifications in the area of market access, and export restrictions and prohibitions. The remaining 4% of the questions concerned export subsidies and notifications with respect to actions taken within the framework of the Decision on Measures Concerning the Possible Negative Effects of the Reform Programme on Least-Developed and Net Food-Importing Developing Countries (NFIDCs).

3.76. On matters raised under Article 18.6, 14 G20 economies (counting the European Union as one) received 188 questions on 74 SIMs during the review period.[26] Out of the 74 SIMs, 32 were discussed for the first time, most of which (72%) related to domestic support policies. Issues concerning market access and export competition policies accounted for 13% each, and the remaining 2% concerned measures potentially prohibiting or restricting exports of foodstuffs.

3.77. In the area of domestic support, a significant attention was paid in reviewing support measures and notifications from Australia, Brazil, Canada, the European Union, India, and the United States. A total of 23 new SIMs concerned G20 economies' domestic support policies. Members sought clarification on support policies targeting specific sectors or products, including cereals (U.S. Farm Food and National Security Act), cotton (China's domestic support for cotton), dairy (Canada's dairy innovation and investment fund), livestock (Argentina's support to beef producers; Australia's policy to sheep industry; China's Interim Implementation Plan to Manage Swine Production Capacity; France's new livestock support package), rapeseed (China's subsidies on rapeseed varieties), and seaweed (Indonesia's support to the Seaweed Association (ARLI)). There were 15 SIMs raised on domestic support policies with a wider sectoral scope, including those implemented by Australia, Brazil, China, the European Union, Indonesia, the United Kingdom and the United States.

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

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

[26] Argentina; Australia; Brazil; Canada; China; the European Union; India; Indonesia; Japan; the Republic of Korea; South Africa; Türkiye; the United Kingdom; and the United States.

3.78. Questions were also raised concerning G20 measures that potentially limit market access of agricultural products. A total of 23 questions concerned notifications and 13 concerned SIMs. On notifications, most questions (20) concerned imports under tariff rate quotas (TRQs) and largely sought clarification on tariff quota fills. Out of the 13 SIMs concerning market access policies, 4 were discussed for the first time. These new SIMs concerned broad market access policies (Brazil's merchant marine renewal tax (MMRT); the European Union's measure on Russian agricultural exports; Türkiye's transport tax on imported goods; and the United States' No Russian Agriculture Act).

3.79. There were four new SIMs in the area of export subsidies concerning policies implemented by G20 economies, including Argentina's Fruit Agro-export Programme; India's establishment of the National Cooperative Exports Limited (NCEL); the United States' food security programmes; and the United States' Regional Agriculture Promotion Program. One new SIM sought clarification on a measure that potentially limited or restricted exports of grains and oilseeds implemented by Argentina.

3.80. A total of 42 SIMs discussed during the review period were follow-ups to matters raised in previous Committee meetings. Some of these matters have been raised multiple times in the CoA. For example, 7 SIMs have been raised between 10 and 24 times in different CoA meetings attracting as many as 70 questions (Canada's new milk ingredient class – 24 times; Canada's review of the TRQ system – 15 times; India's public stockpiling – 14 times each; Canada's tariff rate quota for cheese – 11 times; and the European Union's deforestation and forest degradation strategy – 10 times each).

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

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

### Box 3.2 OECD database on export restrictions on staple crops

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

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

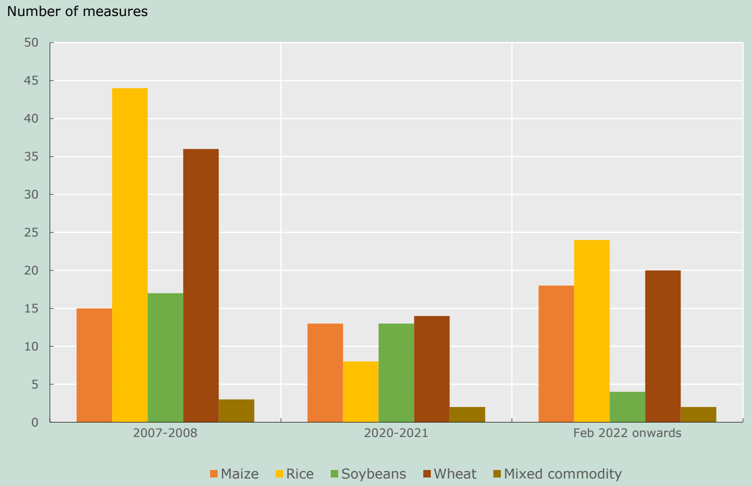
The OECD paper "*Export Restrictions on Staple Crops Since 2007: An Overview Based on the OECD Database on Export Restrictions on Staple Crops*" (OECD, 2024) uses this database to highlight and analyse key trends in export restrictions between January 2007 and April 2024.

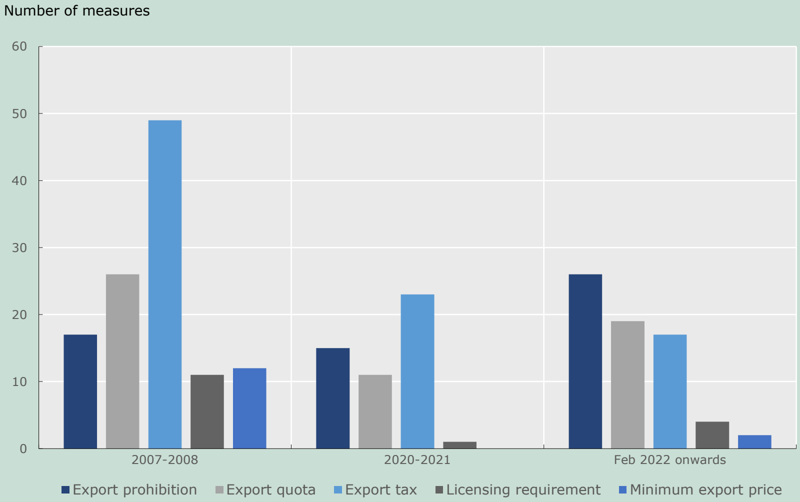
**Data collected between January 2007 to April 2024 show an increased use of export restrictions during the global food price crisis of 2007-08, the COVID-19 pandemic, and following the outbreak of the war in Ukraine.** The first crisis witnessed a significantly higher use of export restrictions than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

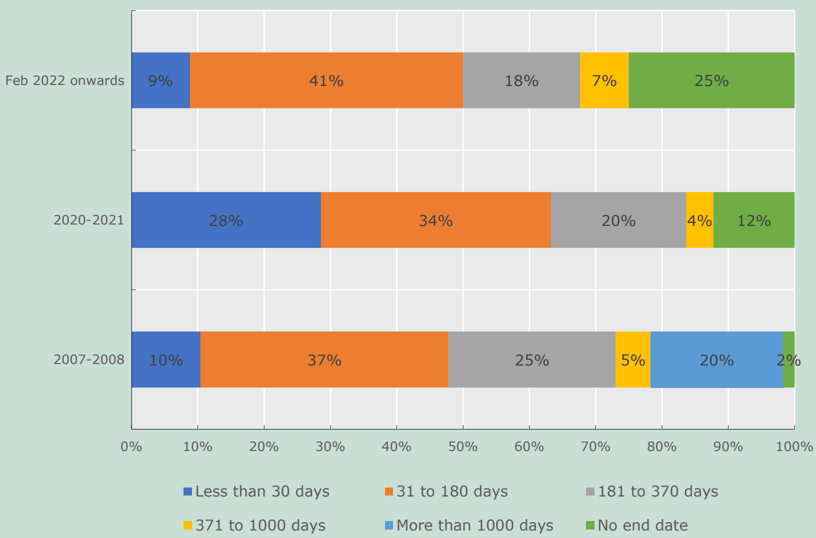
The analysis shows that **the type of export restriction most commonly used between January 2007 and April 2024 varied by commodity.** Maize experienced predominantly export taxes and prohibitions, while minimum export prices and quotas were frequently used for rice. Soybeans were primarily targeted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

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

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



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

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

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

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

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

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

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

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

## 3.6 General and economic support measures

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

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

3.85. From the early stages of the pandemic, the WTO Trade Monitoring Exercise became the coordinator and repository of the full range of trade and trade-related measures taken in response to the health crisis, including broader government support measures. This Secretariat initiative was widely welcomed by delegations as a fundamental transparency feature that allowed governments to learn about the policies put in place by other Members. WTO Members and Observers have communicated directly to the WTO Trade Monitoring section regarding pandemic-related measures introduced and these measures have been shared online by the WTO Secretariat in the original language of the submission.[27]

3.86. The Trade Monitoring Exercise does not make any judgement as to the WTO-compatibility of any of the measures referred to in this Section. While it is possible that these measures, whether taken as part of an overall commercial strategy or as part of the emergency response to a crisis, may affect trade in some way, it is often difficult to conclude that they restrict or facilitate trade (and by how much), or that they distort competition. Nevertheless, providing a brief overview of

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

such measures taken during the review period represents an important element of transparency regarding trends in policy choices that may impact the international trading system.

3.87. Between mid-October 2023 and mid-October 2024, 41 WTO Members[28] volunteered information on 328 support measures (compared to 233 in the previous Annual Overview) in response to the Director-General's 6 March and 2 September 2024 requests for information for this Trade Monitoring Report.[29] Out of the 328 support measures, 127 (38.7%) were introduced by G20 economies. The Secretariat's own research suggests that during the review period several other support measures, including industrial policy packages with potentially important implications for trade, were implemented.

3.88. Recent studies refer to the increasing number of industrial policies by governments. According to a 2024 OECD report[30], global economic crises over the past two decades have seen an increase in government interventions to boost economic and social stability and these calls urged the authorities to wield trade, foreign investment, and industrial policies to improve economic security by limiting dependency on foreign economies, diversifying supply chains for critical components and services, and developing domestic production capacities. Industrial policies have also been prevalent in the context of the decarbonisation of economies. A 2024 IMF Working Paper[31] highlights that industrial policy has gained increased prominence in public discourse over the last several years and that this renewed interest comes as governments have sought effective tools and strategies to remedy the fallout from multiple, compounding crises, coupled with intensifying geopolitical tensions and conflicts, including over territory, resources, and leadership in new technologies and also unmet public demand for climate mitigation and adaptation strategies.

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

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

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

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

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

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

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

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

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

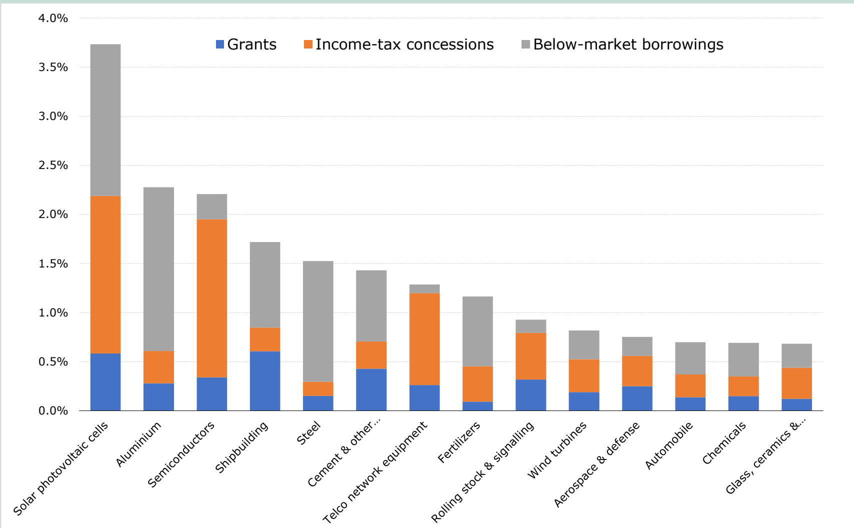
### Box 3.3 Emerging evidence on the scope, scale and impacts of industrial subsidies

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

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

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

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




Source: OECD.

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

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

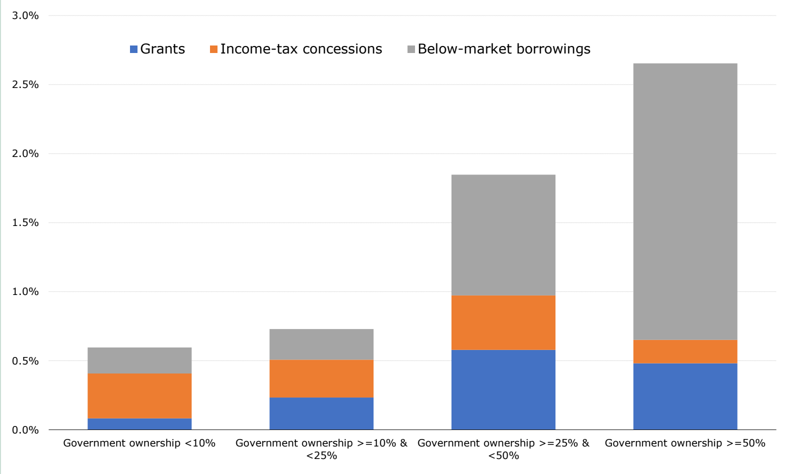
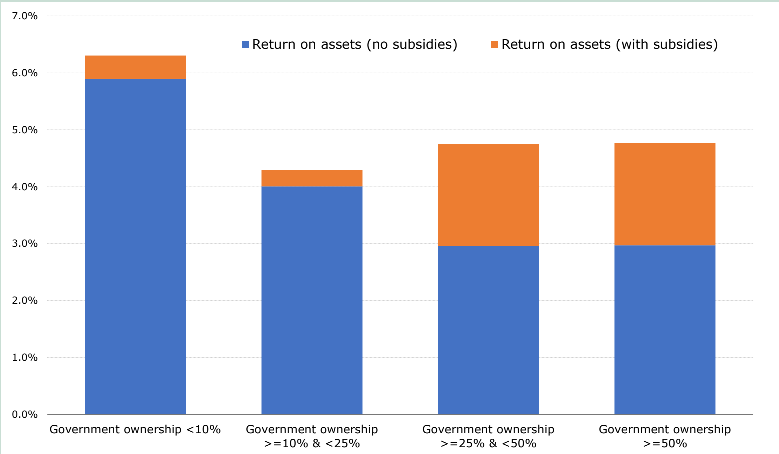



**Figure 2b Average return on assets by ownership category, 2005-22**




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

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

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

Source: OECD.

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

### Box 3.4 Industrial policy: emerging dynamics

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

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

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

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

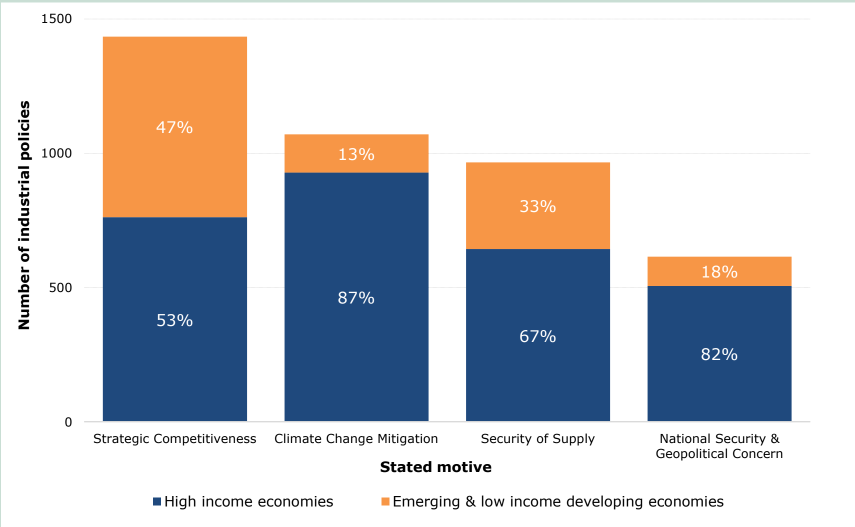
Given the evolving nature of industrial policy, NIPO 2.0 was designed to track several dimensions. First, the rationale stated by the implementing government is recorded. Second, the sectors or technologies frequently mentioned in industrial policy deliberations are tracked, for example dual-use items,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

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

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

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

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




Source: NIPO and GTA.

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

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

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

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

**Table 3.14 Economic complexity of industrial policies by policy instrument**

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

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

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

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

Source: Global Trade Alert.

## 3.7 Other selected trade policy issues

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

### General Council

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

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

3.98. These innovative formats, along with formal General Council meetings, have also served to address trade-related concerns raised by Members, for instance, in the context of trade and industrial policy, and policies related to supply chains free from deforestation and forest degradation. WTO reform, including "Reform by Doing", has been a recurring issue at meetings of various WTO bodies, including at the General Council. The General Council continued to pursue follow-up work on the Ministerial Declaration on the WTO Response to the COVID-19 Pandemic and Preparedness for Future Pandemics, including by preparing a factual report to MC13. The General

Council has also overseen facilitator-led processes on DS reform and e-commerce in light of continued mandates emerging from MC13. Post-MC13 meetings of the General Council addressed various 21st-century topics raised by Members in connection with the 30th anniversary of the WTO, such as development matters and sustainable agriculture. At the General Council, delegations have already begun work towards MC14 to be held in the first quarter of 2026.

### Aid for Trade

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

3.100. The joint OECD-WTO publication "Aid for Trade at a Glance" was also launched during the Global Review. The report found that since the start of the Aid for Trade initiative in 2005, over USD 648 billion had been disbursed to strengthen infrastructure, bolster productive sectors, and build strong trade institutions. In 2022, Aid for Trade disbursements reached a record high of USD 51 billion. Over 60% of Aid for Trade disbursements were by bilateral donors, with multilateral donors accounting for the rest. In 2022, 70% of Aid for Trade went to Africa and Asia. In terms of sectors, 54% of aid for trade was allocated to economic infrastructure, followed by support to productive sectors (44%). Meanwhile, Aid for Trade disbursements to trade policy and regulations accounted for less than 2% in 2022.

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

### Committee on Trade and Development

3.102. At the meeting of the Committee on Trade and Development (CTD) held on 17 and 24 November 2023[32], discussions continued on the communication from India and South Africa titled "Global Electronic Commerce for Inclusive Development".[33] The communication states, *inter alia*, the importance of examining the development needs of developing countries to bridge the digital divide and ensure inclusive global economic development, and draws attention to the limited ability of developing countries to impose tariffs on the growing imports of electronic transmissions as a result of the existing Moratorium on customs duties on electronic transmissions.

3.103. At the same meeting, the CTD considered a communication by the United States regarding the better integration of developing economies in the SPS and TBT Agreements.[34] The document refers to the thematic session on this topic held in Special Session of the CTD on 4 October 2023. Furthermore, a communication by Brazil titled "Enhancing food security through the reform in agriculture and the use of current flexibilities" was discussed.[35]

3.104. At the CTD meeting on 16 July 2024, two submissions by India were discussed. The first took the 30th anniversary of the WTO as occasion to ask how the development dimension has progressed and concluded with some guiding questions on the way forward.[36] A second submission

[32] WTO document WT/COMTD/M/122, 25 January 2024.
[33] WTO document WT/COMTD/W/264/Rev.1, 10 March 2023.
[34] WTO document WT/COMTD/W/285, 2 November 2023.
[35] WTO document JOB/COMTD/5, 19 October 2023.
[36] WTO document WT/COMTD/W/292, 7 May 2024.

addressed the transfer of environmentally sound technologies to developing countries to address climate change.

3.105. Following the Ministerial Decision regarding the Work Programme on Small Economies, the Group of small, vulnerable economies (SVEs) presented outlines for the three mandated reports at the CTD's Dedicated Session on Small Economies on 16 July 2024.[37] Members discussed and agreed to the proposed outlines, tasking the Secretariat to prepare the respective reports before the next Ministerial Conference, starting with the topic of e-commerce. A thematic session with the topic "Green supply chains for development: the case of small economies" was held on the same day with presentations by several international organizations.

### Council for Trade in Goods

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

3.107. At the 30 April–1 May 2024 CTG meeting[38], 35 trade concerns were raised, slightly lower than at previous meetings. These concerns had been previously raised by Members, and most reflected the political tensions and unilateral environmental measures referred to previously. Two additional concerns raised by Uruguay under Other Business – targeting the European Union and the United Kingdom on modifications of concessions in the form of tariff rate quotas under Article XXVIII of the GATT 1994 after Brexit. Trade concerns were raised regarding a wide range of measures, including quantitative restrictions, technical barriers to trade, sanitary and phytosanitary measures, tariffs, subsidies, anti-dumping duties, local content requirements, domestic taxation, national treatment, import licensing requirements, and export controls. Other types of measures raised included balance of payments and notification requirements. Most of the concerns raised during the meeting targeted measures by the European Union (9), China (7), India (7), and the United States (5). Other trade concerns were raised against groups of Members.

3.108. At the 2-3 July 2024 CTG meeting[39], a total of 42 trade concerns were raised, of which 6 were raised for the first time and 36 had been previously raised. The total number of trade concerns is similar to the maximum level achieved over the past two years. The six new trade concerns that were raised at this meeting included measures regulating shipments of waste, technical regulations (on textiles quality and plywood and wooden flush door shutters), industrial policies, additional tariffs on cars, and investigations in the United States under Section 301. Most of the concerns targeted measures by the European Union (13), India (9), China (7), and the United States (6). Four trade concerns were once again raised against groups of Members.

### Committee on Market Access

3.109. At the 16-17 October 2023 and 25-26 April 2024 meetings[40] of the Committee on Market Access (CMA), 71 trade concerns were raised, of which 57 on G20 measures. A growing number of concerns related to increased political tensions and/or unilateral environmental measures. Trade concerns covered measures by Australia (3); Canada (2); China (8); the European Union (8); India (14); Indonesia (4); Mexico (2); the Kingdom of Saudi Arabia (1); Türkiye (2) and

[37] WTO document WT/COMTD/SE/W/48, 2 July 2024.
[38] WTO document G/C/M/148, 13 June 2024.
[39] WTO document G/C/M/149, 2 August 2024.
[40] WTO documents G/MA/M/79, 5 February 2024; and G/MA/M/80, 30 August 2024.

the United States (8). The remaining concerns were raised on measures adopted by several Members as a group.

### Committee on Import Licensing

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

### Council for Trade-Related Aspects of Intellectual Property (TRIPS Council)

3.111. During the review period, G20 economies continued to fine-tune their intellectual property (IP) domestic frameworks, as shown by the communications to the Trade Monitoring Exercise and the notifications to the TRIPS Council. The implementation of specific measures related to the war in Ukraine, which might indirectly affect the maintenance and licensing of intellectual property rights, continued.[41]

3.112. G20 economies engaged actively in the discussions held during formal and informal meetings of the TRIPS Council, particularly regarding the possible extension of the MC12 TRIPS Decision on COVID-19 Vaccines to diagnostics and therapeutics and the restart of the Review of the Implementation of the TRIPS Agreement. They also shared information and best practices regarding support start-ups operating in cross-border environments[42]; IP awareness and creators[43]; and IP awareness and cooperation.[44]

### Dispute settlement

3.113. Measures taken by G20 economies that are WTO Members can be the subject of dispute settlement proceedings when another WTO Member believes that such measures violate an agreement or a commitment made in the WTO.[45] Between mid-October 2023 and mid-October 2024 (the review period), WTO Members initiated eight new disputes, seven of which concerned measures adopted by G20 economies. The subject matter of the new disputes initiated during the review period spanned a wide range of issues covered under the GATT 1994, the GATS, the SPS Agreement, the TRIMS Agreement, the Anti-Dumping Agreement, and the SCM Agreement.

3.114. In addition, the WTO dispute settlement system continued to deal with proceedings that were initiated before the review period. At the end of September 2024, panel proceedings in seven disputes were ongoing. All but one of these disputes concern measures adopted by members of the G20.

3.115. During the review period, panels circulated reports in five disputes, all of which concerned measures adopted by G20 economies. In three of these disputes, the panel reports were adopted, while in another the report reflected that the parties had reached a mutually agreed solution.[46] Additionally, one panel report was appealed. Currently, this appeal cannot be considered, as in the absence of consensus among WTO Members to launch the selection process for Appellate Body members, all seven positions on the Appellate Body remain vacant (Chart 3.14).

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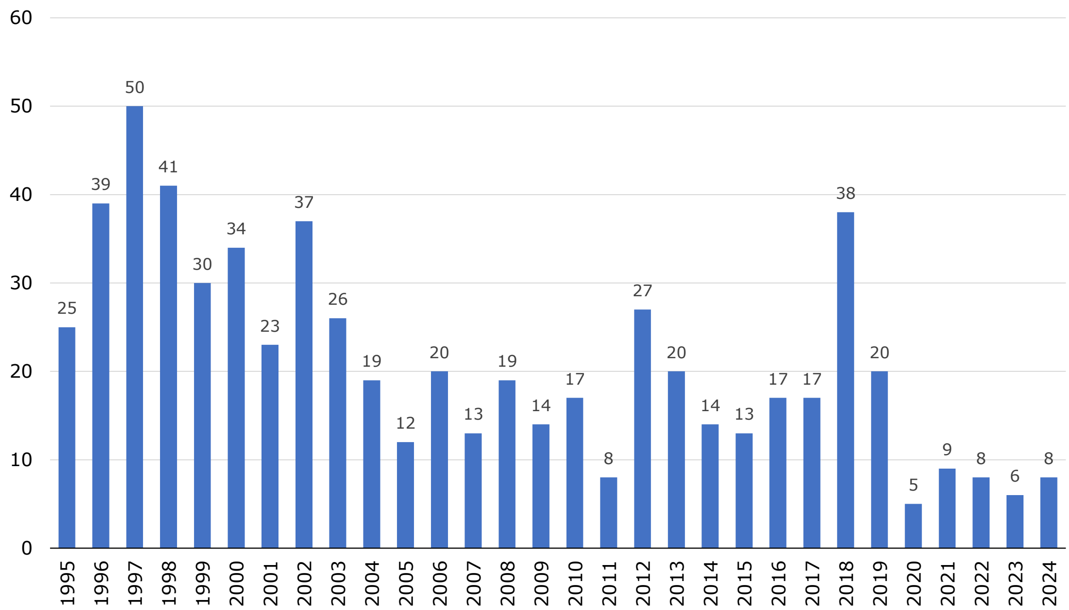
[41] See, for example: https://crsreports.congress.gov/product/pdf/IF/IF12277.
[42] WTO document IP/C/W/705, 20 October 2023.
[43] WTO document IP/C/W/711,17 April 2024.
[44] WTO document IP/C/W/714, 28 June 2024.
[45] Measures can also be challenged through dispute settlement proceedings if they nullify or impair benefits accruing to a Member under a WTO agreement, even without a violation.
[46] In accordance with Article 12.7 of the DSU, the report of the panel contained a brief description of the facts of the case and reported that a solution has been reached.

**Chart 3.14 Disputes initiated per calendar year, 1995-2024**

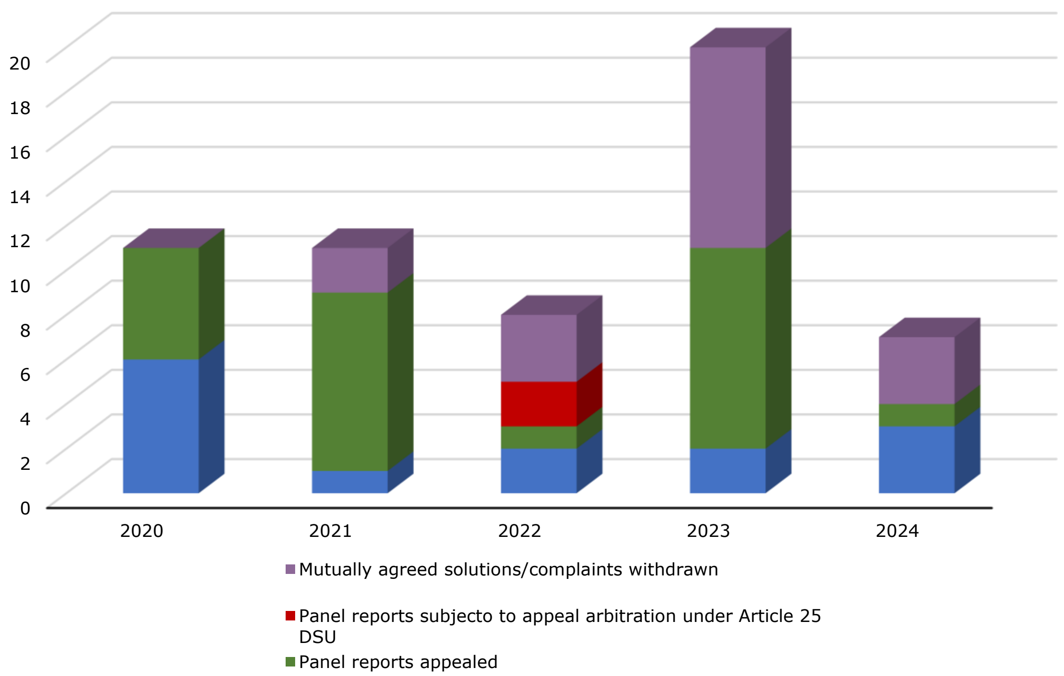



Note: Based on data for January-mid-October 2024.

Source: WTO Secretariat.

3.116. In the absence of a functioning Appellate Body, WTO Members have resorted to other means to ensure effective resolution of disputes. Since the beginning of 2020, parties to 13 disputes have agreed to an alternative appeal mechanism based on arbitration proceedings under Article 25 of the DSU. All of these disputes involve a G20 economy as a complaining or responding party, or both. Finally, in three disputes, Members reached mutually agreed solutions that were notified to the DSB during the review period (Chart 3.15).

**Chart 3.15 Outcomes of disputes, 2020-2024**




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

Source: WTO Secretariat.

## Electronic commerce

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

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

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

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

### Box 3.5 Enabling the digital transformation of small businesses

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

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

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

#### Businesses transform when countries are ready

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

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

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

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

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

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

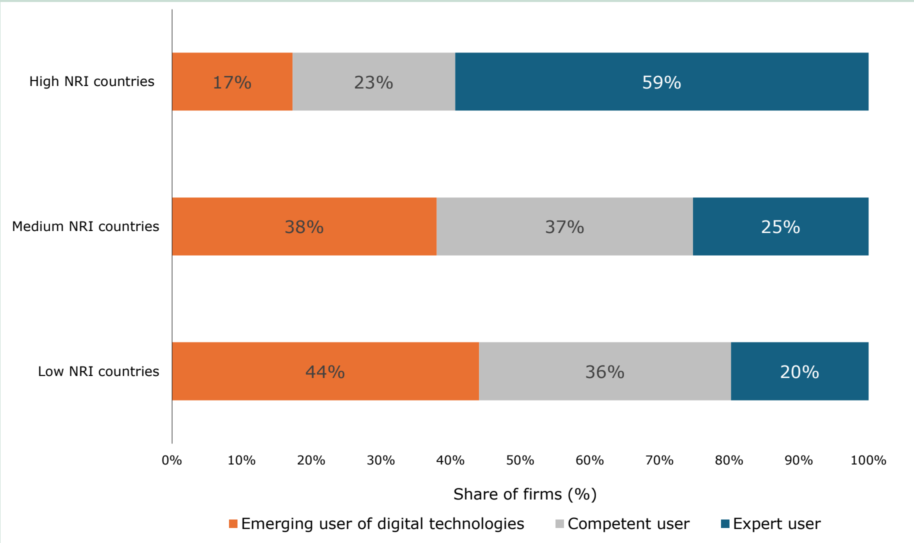
Cross-analysing country readiness and firm digital transformation send a clear message: while firms can and do differ in their level of digital adoption even when theoretically able to access the same infrastructure and skills, and operating under similar regulations, enablers matter – a lot. In countries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

### Building a Digital Future

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

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

### Digitally ready countries have more expert users[g]




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

b Xavier Cirera et al., "Firm-Level Adoption of Technologies in Senegal", Policy Research Working Paper (The World Bank, 12 May 12 2021). Viewed at: https://doi.org/10.1596/1813-9450-9657; Xavier Cirera, Diego Comin, and Marcio Cruz, *Bridging the Technological Divide: Technology Adoption by Firms in Developing Countries* (The World Bank, 2022), https://doi.org/10.1596/978-1-4648-1826-4; ITC, "SME Competitiveness Outlook 2022: Connected Services, Competitive Businesses" (Geneva, Switzerland: International Trade Centre, September 2022). Viewed at: https://intracen.org/resources/publications/sme-competitiveness-outlook-2022-connected-services-competitive-businesses.

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

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

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

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

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

### Fisheries subsidies

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

3.122. In parallel to the negotiating meetings of the NGR, Members have engaged in a technical workstream to develop the documents, procedures, and practices to be used by the Committee on Fisheries Subsidies upon the entry into force of the current Agreement. As of 9 October 2024, 84 WTO Members have accepted the Agreement.[47] This represents around 75% of the two-thirds (111) of WTO Members required for the Agreement to enter into force.

3.123. The WTO Fisheries Funding Mechanism, known as the Fish Fund, was established in November 2022 to assist developing and LDC Members in implementing the Agreement. Currently in its start-up phase, the Fund will become operational as soon as the Agreement enters into force. As of October 2024, the Fund has received contributions amounting to more than CHF 10 million, commitments (signed contribution agreements) of over CHF 3 million, and pledges amounting to more than CHF 1 million.[48]

### Government procurement

3.124. The plurilateral WTO Agreement on Government Procurement 2012 (GPA 2012) is an important instrument for keeping GPA Parties' government procurement markets open and safeguarding good governance in their government procurement markets. During the reporting period, North Macedonia became the 22nd Party to the GPA 2012 and the 49th WTO Member to be covered by it.[49] On 27 September 2024, Timor-Leste became the 36th WTO Member/observer observing the work of the Committee on Government Procurement (CGP).

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

3.126. The CGP also held two information-sharing workshops to enhance the understanding of Parties' government procurement laws. The workshops touched upon the labour standards and the

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

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

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

use of electronic tools in government procurement and were held in November 2023 and March 2024, respectively. In October 2024, the Committee celebrated the 10th anniversary of entry into force of the GPA 2012 by organizing a dedicated event.

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

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

### Micro, small and medium-sized enterprises (MSMEs)

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

3.130. The MSME Group launched two compendia of good practices on the fringes of MC13. The first, titled Access to Finance by Women-led MSMEs, was compiled with the Informal Working Group on Trade & Gender and the International Trade Centre and compiles government, financial-institution, and international organization-led initiatives.[50] This compendium continues to be updated and has been released as a searchable online database.[51] The second, titled Special Provisions for MSMEs in Authorized Economic Operator Programmes, is a collection of 27 identified WTO Member provisions that support MSME access to AEO status through training, outreach, financial support and additional flexibilities.[52] In advance of MC13, as the Coordinator of the MSME Group released a report detailing key activities undertaken and outcomes achieved.[53]

3.131. New proposals were submitted by members on bridging the gap between local business and international organizations; developing compendia on good regulatory practices to promote MSME trade inclusion and on educational programmes for women entrepreneurs; and continuing the work on access to finance by women-led MSMEs, digital and paperless trade, low-value shipments, informality, and MSME references in regional trade agreements.[54]

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

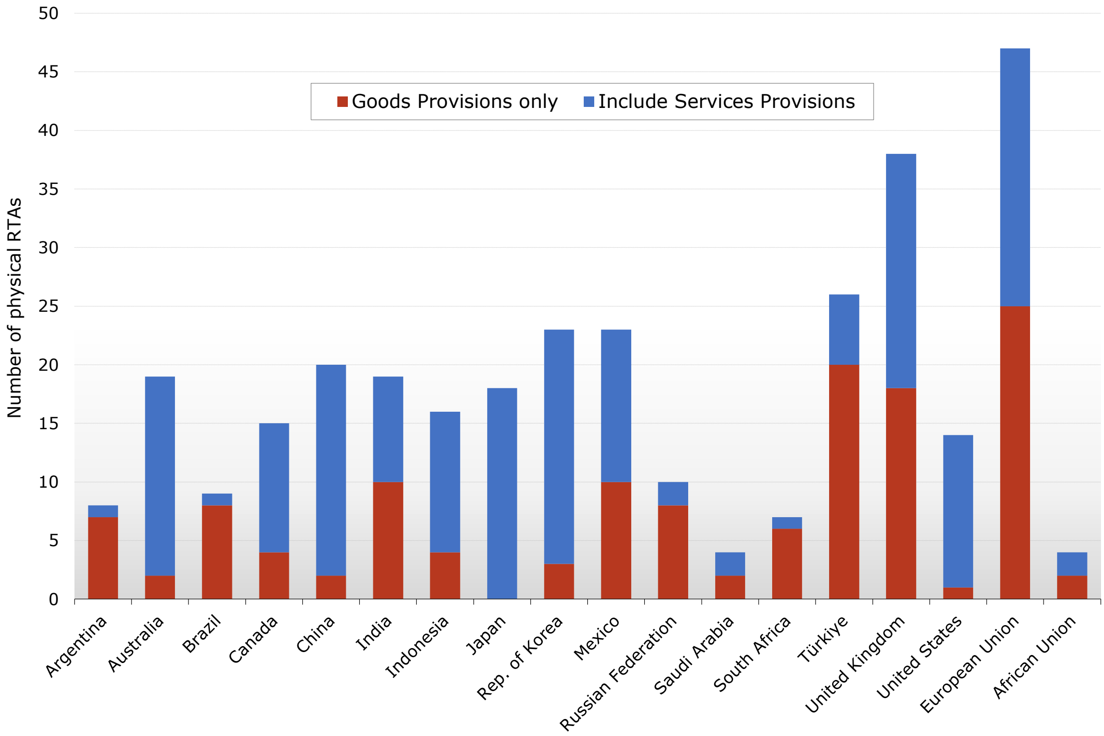
### Regional trade agreements (RTAs)

3.133. The G20 economies continue to account for a major share of current RTA activities. Out of the 17 RTAs notified between 16 October 2023 and 15 October 2024, 12 included at least one G20 economy. As of 15 October 2024, 373 RTAs had been notified to the WTO and were in force.[55] Of these, around two thirds (69%) involve at least one G20 economy. While most RTAs involving G20 economies include trade liberalization on both goods and services, for some, notably Argentina, Brazil, the Russian Federation, South Africa, and Türkiye, most RTAs involve trade in goods only (Chart 3.16).

[50] WTO document INF/MSME/W/46/Rev.3 INF/TGE/W/7/Rev.3, 12 July 2024.
[51] WTO | Database: Compendium of Financial Inclusion Initiatives for Women Entrepreneurs.
[52] WTO document INF/MSME/W/47/Rev.1, 9 February 2024.
[53] WTO document WT/MIN(24)/9, 15 February 2024.
[54] WTO documents INF/MSME/W/51, 16 April 2024; INF/MSME/W/52/, 23 April 2024; INF/MSME/W/53, 31 May 2024; INF/MSME/W/54, 31 May 2024; INF/MSME/W/55, 31 May 2024;and INF/MSME/W/58 INF/TGE/COM/11, 22 July 2024.
[55] Please consult the WTO RTA database (http://rtais.wto.org) for updated information on all RTA notifications submitted by WTO Members.

3.134. The African Union's (AU) RTAs are also to be noted[56] - namely the eight Regional Economic Communities (RECs) recognized as the AU's pillars and formed prior to the launch of the AU, and the African Continental Free Trade Area (AfCFTA), negotiated under the auspices of the AU. Out of the eight RECs, four – the Common Market for Eastern and Southern Africa (COMESA), the East African Community (EAC), the Economic Community of West African States (ECOWAS), and the Southern African Development Community (SADC) - have been notified to the WTO.[57] The EAC and ECOWAS are customs unions currently applying a common external tariff (CET); the CET for COMESA is still to be implemented and SADC is a free-trade area. The EAC and SADC include trade liberalization on both goods and services, while COMESA and ECOWAS are notified as only RTAs covering only trade in goods. The Tripartite FTA (TFTA), which establishes an FTA between the EAC, COMESA and SADC, entered into force on 25 July 2024. The TFTA will be operationalized based on a road map to be agreed later in 2024.

**Chart 3.16 G20 RTAs notified to the WTO and in force as of 15 October 2024**




Source: WTO Secretariat.

3.135. The Agreement Establishing the AfCFTA was signed in 2018 and entered into force on 30 May 2019.[58] As of 15 October 2024, the AfCFTA was in force for 48 of its 54 Parties.[59] Preferential trade under the AfCFTA was operationalized in October 2022 with the implementation of the first phase of the Guided Trade Initiative (GTI).[60] The GTI was subsequently expanded, and as of October 2024 is in place in more than 30 AfCFTA Parties and 100 products. The AfCFTA is complemented by the Protocols on Trade in Goods, Trade in Services, Dispute Settlement, Investment, Competition

[56] The African Union is now a full member of the G20. For information on AU-related RTAs referred to in this Section, see https://au.int/african-continental-free-trade-area and https://au.int/en/recs. Additional information can also be consulted in the RTA database for the four RECs that have been notified to the WTO.

[57] The four RECs that have not been notified to the WTO are the Arab Maghreb Union (UMA), the Community of Sahel–Saharan States (CEN–SAD), the Economic Community of Central African States (ECCAS), and the Intergovernmental Authority on Development (IGAD).

[58] The AfCFTA was approved by the 18th ordinary Session of Assembly of Heads of State and Government of the AU held in 2012. There are 54 Parties to the AfCFTA – out of the AU's 55 Member States.

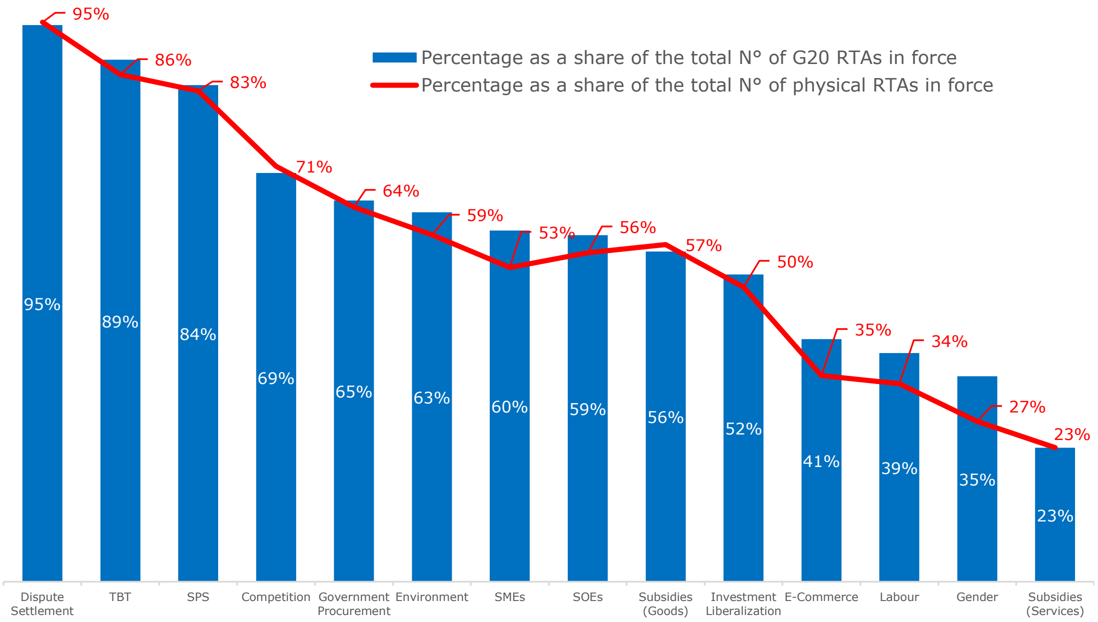
[59] Viewed at: https://www.tralac.org/resources/infographic/13795-status-of-afcfta-ratification.html?__cf_chl_rt_tk=iu16WFuGzqS75IDFZcb5MBY.BJHi.MFXHndYKPz5C.4-1729064874-1.0.1.1-nZqQrgFfKFnjKkZ2E8GgIUW3uvQB8cK3bdaQhynd3EQ.

[60] The GTI is a pilot initiative aimed at testing the operational, institutional, legal and trade policy environment under the AfCFTA. Only countries with AfCFTA certified tariff schedules can join the GTI.

Policy, Intellectual Property Rights, Digital Trade, and Women and Youth in Trade already, some of which are already in force. The AfCFTA has not been notified to the WTO.

3.136. In addition to the liberalization of trade in goods and services, most G20 RTAs increasingly include other provisions. They tackle issues that are not barriers at the border, but nevertheless have an impact on trade. Such provisions include disciplines on subsidies, SPS, TBT, dispute settlement, labour and environment, competition, government procurement and gender. Chart 3.17 shows that the number of G20 RTAs that have such provisions range from 23% for subsidies in services to 95% with provisions on dispute settlement. The frequency of 10 out of the 14 key provisions depicted in Chart 3.17 is greater in RTAs involving G20 economies than for RTAs overall. That is the case for provisions on gender, SMEs, electronic commerce, labour, and environment. For other provisions, the share is either identical (subsidies in services and dispute settlement provisions) or slightly lower (competition and subsidies in goods). A novel feature in two RTAs recently concluded by the European Union – with Chile and New Zealand – is the inclusion of provisions related to energy and raw materials. In the context of the transition towards a green economy and clean energy, access to raw materials, and in particular critical minerals, has attracted significant attention.

**Chart 3.17 Key provisions in G20 RTAs and all RTAs**




Source: WTO Secretariat.

3.137. Two of the priorities of Brazil's G20 presidency – fighting hunger, poverty and inequality – and the three dimensions of sustainable development (economic, social and environmental) are in some instances included in RTAs concluded by the G20 economies. Food security, for example, is addressed in some RTAs, including the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) encompassing 11 Parties of which 4 are G20 economies, and the United States-Mexico-Canada Agreement. In Asia, an ASEAN Emergency Rice Reserve, and the ASEAN Plus Three Rice Reserve (APTERR) have been established among ASEAN member States and China, Japan and the Republic of Korea, with the aim of insuring food security in the ASEAN+3 Region.

3.138. A main development during the last year has been the conclusion of plurilateral and bilateral instruments relating to critical minerals, many of which involving G20 economies. These instruments aim at ensuring access to critical minerals and may also include issues such as research and development, value chains and standards.

3.139. The trend of concluding digital/electronic commerce agreements continued during the period under review. In May 2024, the Republic of Korea became the first G20 Party to the trilateral Digital Economy Partnership Agreement (DEPA, with Chile, New Zealand and Singapore as founding members), while Canada and China (as well as other four non-G20 economies) have requested accession. In July 2024, the European Union and Singapore concluded a Digital Trade Agreement[61], while the European Union-Japan agreement on data flows and the United Kingdom-Ukraine digital Agreement have entered into force in the recent months.

3.140. The last year has also seen progress in other plurilateral initiatives focusing on regulatory rather than market access provisions. Under the Indo-Pacific Economic Framework for Prosperity (IPEF), comprising 14 partners of which 6 are G20 economies,[62] 4 Agreements were signed in the period under review: the Agreement on Supply Chains in 2023, and in 2024 the Agreements on Clean Economy and on Fair Economy, as well as the overall IPEF Agreement. Discussions on the trade pillar have not yet yielded a result.

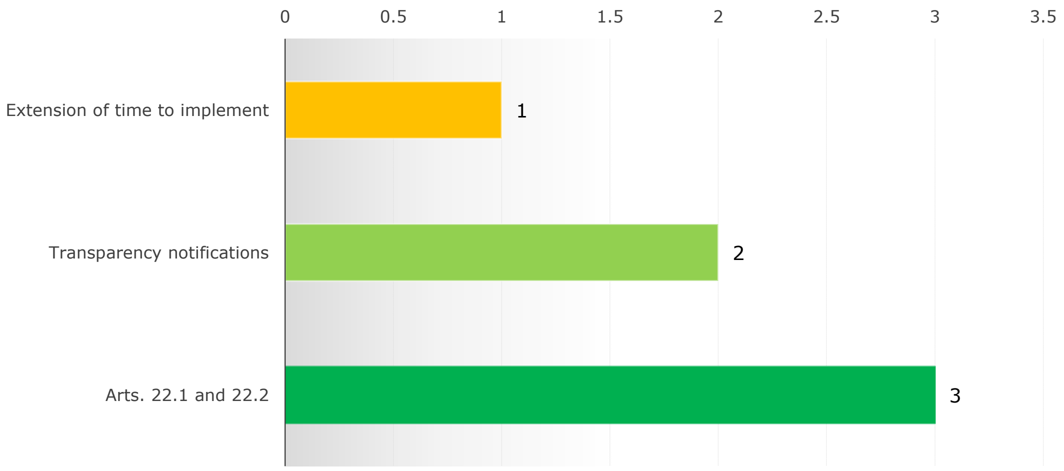
3.141. As RTA networks continue to expand, the growth of regulatory agreements and discussions suggest that there is a need to better understand the implications of such agreements on the multilateral trading system.

## Trade facilitation

3.142. The Trade Facilitation Agreement (TFA) entered into force on 22 February 2017, when two-thirds of WTO Members presented their instruments of acceptance amending the Marrakesh Agreement to incorporate the TFA into Annex 1A (Multilateral Agreements on Trade in Goods). At the conclusion of the review period, 159 Members had ratified the TFA, representing 95.8% of the membership.

3.143. The TFA's current global rate of implementation commitments stands at 79.4%. During the review period, the Committee received six notifications from the G20 economies, as shown in Chart 3.18.

**Chart 3.18 Number of TFA notifications received by G20 economies between 21 October 2023 and 10 October 2024**




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

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

[61] Similar agreements are already in force between Singapore and Australia, the Republic of Korea, and the United Kingdom, respectively.
[62] Australia, Brunei Darussalam, Fiji, India, Indonesia, Japan, the Republic of Korea, Malaysia, the Philippines, Singapore, Thailand, the United States and Viet Nam. India has opted out of the Trade Pillar. IPEF was launched in May 2022.

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

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

### Trade financing

3.147. Inadequate access to trade finance in emerging markets and developing economies prevents otherwise-viable transactions from going forward - with disproportionate impacts on small and women-owned businesses. Insufficient and unequal access to trade finance contributes to keeping countries and communities on the margins of the global division of labour. The Asian Development Bank estimated in late 2023 that in emerging markets and developing economies, there was a USD 2.5 trillion gap between the demand for trade finance and its supply.[63]

3.148. Recent research by the WTO and the International Finance Corporation (IFC) suggested that the higher a country’s level of development, the higher the share of trade supported by trade finance, i.e. 60% to 80% across developed countries, 40% on average on the African continent, and only 25% in regions such as West Africa and the Mekong region of Southeast Asia. Increasing coverage to 40% would boost trade flows by an average of 8% per year.[64]

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

3.150. A key aspect is to boost trade finance facilitation programmes, which help increase the capacity of financial sectors to support local trade. These programmes, run by seven MDBs, supported 10,000-12,000 trade transactions last year in developing countries, amounting to a total of over USD 50 billion in trade flows. Within these programmes, a particular focus is on expanding supply chain finance, which remains even scarcer than traditional trade finance. Yet, according to the WTO-ADB Global Value Chain Development Report[65], 49% of global trade involves global value chain transactions.

### Trade and environment

3.151. At the Committee on Trade and Environment (CTE), delegations continued to explore how to revitalize the work of the CTE and improve on its function as a key standing forum dedicated to dialogue on the relationship between trade measures and environmental measures.[66] In the last two years, an several proposals have been submitted in the CTE (17 submissions since January 2023) highlighting the importance of advancing discussions on trade and environment in the CTE.

3.152. In its three regular meetings held in 2024 and during the fifth[67] Trade and Environment Week, delegations focused on important global issues, including trade in critical minerals,

[63] Asian Development Bank, 2023 Trade Finance Gaps, Growth, and Jobs Survey, September 2023. Viewed at: https://www.adb.org/publications/2023-trade-finance-gaps-growth-jobs-survey.
[64] IFC and WTO (2023), *Trade Finance in the Mekong Region*. Viewed: https://www.wto.org/english/res_e/publications_e/tf_mekong_e.htm.
[65] Research Institute for Global Value Chains at the University of International Business and Economics, ADB, IDE–JETRO, and WTO (2023), *Global Value Chain Development Report 2023: Resilient and Sustainable GVCs in Turbulent Times*. Viewed at: https://www.wto.org/english/res_e/booksp_e/gvc_dev_rep23_e.pdf.
[66] Annual Report 2023, WTO document WT/CTE/30, 13 December 2023.
[67] Viewed at: https://www.wto.org/english/tratop_e/envir_e/envir_0710202409_e/envir_0710202409_e.htm.

sustainable agriculture, deforestation regulations, transfer of clean technologies, the circular economy, plastics pollution, climate change, and biodiversity. Delegations also continued to put forward and discuss specific submissions, and, for the first time, held "thematic discussions" on specific topics, in particular related to the clean energy transition.[68]

3.153. Other briefings included topics such as the preparations for COP29 which would again include a thematic day dedicated to discussing trade issues. In parallel, the WTO Secretariat also worked on several projects in coordination with various stakeholders, including the World Bank, IMF, UNCTAD and OECD (Taskforce on Carbon Pricing), the World Bank and the World Economic Forum (under the "Action on Climate and Trade Initiative" (ACT)), the Asian Development Bank (on a trade in critical minerals database), and the steel industry (following up work on decarbonization standards[69]).

3.154. Some WTO Members continued their work through other platforms. For example, at MC13, the participants of the three environmental initiatives presented outcomes. The Fossil Fuel Subsidy Reform (FFSR[70]) outcomes include an updated Ministerial Statement (WT/MIN(24)/19), accompanied by two annexes setting out: ii) a detailed programme of work outlining concrete options to guide the work of the Initiative's in the period to MC14; and ii) a non-exhaustive list of sample questions on fossil fuel subsidies and fossil fuel subsidy reform for regular use by co-sponsors and other WTO Members in Trade Policy Reviews. The co-conveners of the Trade and Environmental Sustainability Structured Discussions (TESSD[71]) issued a Statement (WT/MIN(24)/11) and presented four outcomes, namely: a compilation of Member practices in the development of trade-related climate measures; an analytical summary of discussions on environmental goods and services and renewable energy; a mapping of the trade aspects of the circular economy along the lifecycle of products; and a compilation of national experiences and considerations regarding subsidy design. The Dialogue on Plastics Pollution and Environmentally Sustainable Plastics Trade (DPP[72]) circulated a Ministerial Statement (WT/MIN(24)/14) containing a series of principles and six trade-related actions, including to: increase transparency of trade flows of plastics (e.g. of single-use plastics, plastic films, hard-to-recycle plastics, as well as those embedded in traded goods); reduce plastics that are harmful to the environment or human health, or unnecessary single-use plastics and plastics packaging; promote non-plastic substitutes, alternatives, services and technologies; and improve the capacity of developing countries to use trade as a tool to tackle plastic pollution.

[68] Viewed at: https://www.wto.org/english/tratop_e/envir_e/envir_1311202310_e/envir_1311202310_e.htm; https://www.wto.org/english/tratop_e/envir_e/envir_2304202410_e/envir_2304202410_e.htm; and https://www.wto.org/english/news_e/news24_e/envir_11oct24_e.htm.
[69] Viewed at: https://www.wto.org/english/news_e/news24_e/envir_12sep24_e.htm.
[70] Viewed at: https://www.wto.org/english/tratop_e/envir_e/fossil_fuel_e.htm.
[71] Viewed at: https://www.wto.org/english/tratop_e/tessd_e/tessd_e.htm.
[72] Viewed at: https://www.wto.org/english/tratop_e/ppesp_e/ppesp_e.htm.

## 4 POLICY DEVELOPMENTS IN TRADE IN SERVICES

### Regular measures affecting trade in services

4.1. During the review period, 50 new measures affecting trade in services were introduced by G20 economies. As in recent years, the trend was generally towards liberalization and clarification of relevant regulatory requirements and good practices. However, around 40% of measures implemented during this period were considered as restrictive. Around 30% of the measures related to horizontal measures, with a third of those specifically impacting mode 3 (commercial presence), and another third mode 4 (movement of natural persons). A fifth of the measures referred to Internet- and other network-enabled services and telecommunications services. Other measures concerned business, audiovisual, financial, health-related and transport services. Annex 4 of the Addendum provides additional information on the 50 new measures introduced. [1]

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

4.2. Several G20 economies introduced updates to their Foreign Direct Investment (FDI) screening policies, in an effort to enhance their clarity and transparency. For example, on 21 May 2024, the United Kingdom government published updated guidance on the National Security and Investment Act 2021, aiming to clarify the investment screening process and reduce uncertainty for investors. In France, the Ministry of the Economy and Finance introduced a platform to streamline authorization applications and real-time tracking of progress in foreign investment control, effective on 2 October 2023. Germany implemented a measure to digitalize the investment screening process, streamlining administrative procedures, effective on 5 October 2023.

4.3. However, screening mechanisms were strengthened in some economies. For instance, on 1 March 2024, Canada issued a policy statement clarifying that FDI screening will apply to the Interactive Digital Media (IDM) sector, which encompasses digital content, e-commerce, gaming, and user-interactive platforms. Effective on 1 January 2024, France enhanced its FDI regime by making the 10% voting rights control threshold for non-EU/ European Economic Area (EEA) investors permanent and extending the regime to include takeovers of branches involved in sensitive activities such as critical raw material extraction, processing, recycling, penitentiary security, and research and development in photonics and low-carbon energy.

4.4. China released the Special Management Measures for Cross-border Services Trade (Negative List), which outlines regulations affecting trade in services through modes 1, 2 and 4, effective on 21 April 2024. It lists 71 prohibitive and restrictive items in areas like construction, telecom, and financial services. In addition, the Pilot Free Trade Zones negative list includes 68 items designed to ease restrictions, for example for certain professional activities or television production services. Services not included on these lists receive equal treatment for domestic and foreign providers.

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

4.5. Six G20 economies adopted new measures in relation to data protection and cross-border data flows. Türkiye amended its Personal Data Protection Law No. 6698, increasing the number of alternatives for cross-border data transfers, in line with the European Union's General Data Protection Regulation ((GDPR). Previously, "open-consent" of the data owner was the only option to transfer data abroad. China's Cyberspace Administration released on 22 March 2024, Provisions on Promoting and Regulating Cross-border Data Flow, which cover security assessment of outbound data transfer, standard contract for cross-border transfer of personal information, and personal information protection certification, relaxing certain conditions for cross-border data flows and narrowing the scope of security assessment of outbound data transfer for data not considered as important.

[1] Measures introduced by Argentina, Australia, Brazil, Canada, China, the European Union, France, Germany, India, Indonesia, Italy, Japan, the Republic of Korea, the Russian Federation, the Kingdom of Saudi Arabia, South Africa, Türkiye and the United Kingdom. The inclusion of any measure in the Annex implies no judgement by the WTO Secretariat on whether or not such measure, or its intent, is protectionist in nature. Moreover, nothing in the Annex implies any judgement, either direct or indirect, on the consistency of any measure referred to with the provisions of any WTO agreement.

4.6. China's Ministry of Industry and Information Technology (MIIT) also adopted on 8 April 2024 a Circular on the Pilot Scheme for the Further Opening of Value-Added Telecom Services to Foreign Investment, a pilot programme that permits wholly foreign-owned ownership on value-added telecommunication services for cloud computing, including Internet data centres, content distribution networks, and Internet service providers. Foreign investors must secure an operating permit and adhere to local regulations regarding infrastructure use and service coverage areas. In Argentina, the Emergency Decree imposing prices for Internet, telephone and cable TV services was repealed on 10 April 2024, fostering competition and freeing price setting.

4.7. Other measures pertaining to communication services and digitally enabled services were introduced by G20 economies, including Brazil which adopted on 16 January 2024 two laws to support the local audiovisual sector. One law updates the screen quota for Brazilian films in cinemas, while the other mandates that pay-TV channels broadcast a minimum amount of Brazilian content, including specific requirements for both foreign and national channels during prime time. India removed the 2% equalization levy on non-resident digital service providers, including online education and software-as-a-service (SaaS) firms, effective on 1 August 2024.

### Health-related services

4.8. In the health-related sector, four new measures were adopted during the review period. For example, China launched a new pilot programme, effective on 7 September 2024, to attract foreign investment in the medical sector, particularly in biotechnology and wholly foreign-owned hospitals (excluding traditional Chinese medicine and public hospital acquisitions) in several major cities (Beijing, Tianjin, Shanghai, Nanjing, Suzhou, Fuzhou, Guangzhou, Shenzhen, and Hainan island).

4.9. Two G20 economies introduced stricter rules regarding health data transfer. France updated on 16 May 2024 its Health Data Hosting certification standard, requiring that health data be stored solely within the EEA to uphold data sovereignty. Providers must also ensure transparency with customers regarding any transfers outside the EEA, including remote access to the data. Germany introduced new regulations effective on 1 July 2024, governing the processing of health data via cloud services. These regulations mandate that health data must be processed within Germany, the EEA, or in countries recognized as adequate by the European Commission. Furthermore, data processors are required to have a physical presence in Germany.

### Other services sectors

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

4.11. For financial services, new European Union regulations were published on 19 June 2024, requiring non-EU banks offering cross-border services to operate through locally licensed branches to provide core banking services like deposits and lending to EU clients. Previously this was regulated by EU member States, leading to different requirements. The regulations will take effect in January 2027.

### Measures affecting the supply through the movement of natural persons

4.12. Most measures affecting the supply of services through the movement of natural persons introduced by G20 economies were trade-facilitating. For example, on 11 December 2023, the Department of Home Affairs of Australia published a simplified Labour Market Testing by reducing job advertisement requirements and eliminating the requirement for advertisements to be posted on the Australian government's Workforce Australia website. Effective on 15 March 2024, the Kingdom of Saudi Arabia expanded its Business Visit Visa to all investors, regardless of nationality, whereas it was previously limited to nationals from approximately 60 countries.

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

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

### Air services agreements

4.14. Table 4.1 presents information on air services agreements (ASAs) concluded or amended during the period under review. These include both new ASAs and revisions of existing ones. As far as can be assessed from available sources, these ASAs provide for improved access conditions than was previously the case. All are bilateral ASAs, with the exception of the ASEAN-EU agreement.

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

| Parties | | Date of signature | Source |
|---|---|---|---|
| Russian Federation | Indonesia | 15/09/2023 | Russia Foreign Ministry Posts Protocol to Air Services Agreement With Indonesia in Russian, English, Indonesian (bloombergtax.com) |
| Canada | Panama | 11/10/2023 | PAX - Canada expands deal with Panama to allow more flights between countries (paxnews.com) |
| Sierra Leone | Saudi Arabia, Kingdom of | 06/12/2023 | Sierra Leone Signs Bilateral Air Service Agreement with Saudi Arabia - Global Times Newspaper (globaltimes-sl.com) |
| United Kingdom | Mongolia | 23/01/2024 | Air Services Agreement signed between UK and Mongolia - GOV.UK (www.gov.uk) |
| Moldova, Republic of | United Kingdom | 24/01/2024 | Moldova, UK sign air service agreement (azernews.az) |
| Korea, Republic of | Indonesia | 02/02/2024 | South Korea, Indonesia Bilateral Agreement To Boost Connectivity \| Aviation Week Network |
| Brazil | Argentina | 13/03/2024 | Open skies aviation policy between Brazil and Argentina — Ministério das Relações Exteriores (www.gov.br) |
| Brazil | Antigua and Barbuda | 04/03/2024 | Air transport agreement signed between Brazil and Antigua - Dominica News Online |
| India | United Kingdom | 01/05/2024 | London India Flights Surge as New Agreement Boosts Weekly Services - Travel And Tour World |
| European Union | Bangladesh | 07/06/2024 | New Age \| Bangladesh signs air service agreements with Switzerland, EU (newagebd.net) |
| Canada | Argentina | 25/06/2024 | Canada concludes new air transport agreement with Argentina - The Malaysian Reserve |
| Russian Federation | Tanzania | 25/06/2024 | Russia And Tanzania Sign Air Services Agreement To Boost Air Traffic (menafn.com) |
| Philippines | Korea, Republic of | 04/07/2024 | The Philippines and Korea expand international air services agreement (traveldailynews.asia) |

[2] WTO documents S/C/M/156, 30 January 2024; S/C/M/157, 6 May 2024; S/C/M/158, 21 August 2024; and S/C/M/159 (forthcoming).
[3] These measures were only raised during the meetings of 7 December 2023, 27-28 March 2024 and 4 July 2024.
[4] The term "Air Transport Agreements" is used here to refer to Air Services Agreements, Memoranda of Understanding, Exchange of Notes, and other such relevant instruments.

| Parties | | Date of signature | Source |
|---|---|---|---|
| Slovenia | Brazil | 22/07/2024 | Slovenia and Brazil ink air agreement (exyuaviation.com) |
| Türkiye | United Kingdom | 01/08/2024 | Türkiye, UK sign new air transport agreement - Türkiye Today (turkiyetoday.com) |
| United States | Dominican Republic | 02/08/2024 | US And Dominican Republic Sign 'Open Skies' Agreement. - The St Kitts Nevis Observer |
| United States | Fiji | 28/08/2024 | The United States and Fiji Sign Open Skies Agreement - United States Department of State |

Source: WTO Secretariat.