



REPORT ON G20 TRADE MEASURES

(MID-MAY TO MID-OCTOBER 2021)

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EXECUTIVE SUMMARY

1. This twenty-sixth WTO Trade Monitoring Report on G20 trade measures comes as the world continues to battle the COVID-19 pandemic. Although the period covered in this Report (mid-May to mid-October 2021) has provided for some encouraging news for a post-pandemic economic recovery, it also firmly establishes that the outlook for the global economy remains uncertain. Fundamental challenges, such as equitable access to COVID-19 vaccines, diagnostics and therapeutics, remain at the core of the downside risks that the world faces from the COVID-19 pandemic.

2. Trade has been central to combating the pandemic. The multilateral trading system has shown its resilience and played an instrumental role in encouraging restraint in the implementation of trade-restrictive measures. It will continue to underpin the foundation upon which a global economic recovery will be based. As a global recovery has started, albeit at different regional paces, G20 economies generally have demonstrated restraint in the imposition of new trade-restrictive measures related to the pandemic during the review period and are supporting the recovery by continuing to roll back restrictions adopted earlier in the crisis. However, despite the relatively low number of COVID-19 trade restrictions still in place, their estimated trade coverage was almost double (USD 88.4 billion) that of trade-facilitating measures (USD 48.2 billion). Many economic support programs implemented by G20 economies to alleviate the economic and social disruption caused by COVID-19 are being phased out or adjusted to take into account new circumstances and to prepare for the post-pandemic recovery. The monitoring of non-COVID-19-related trade measures reveals that fewer restrictions were put in place during this period. However, the stockpile of previous trade restrictions remains large.

3. With the WTO's 12th Ministerial Conference only a few weeks away, G20 economies must demonstrate leadership in pushing for a strong WTO response to the pandemic that would provide a foundation for more rapid vaccine production and equitable distribution. The multilateral trading system will continue to assist its Members as the world exits the pandemic and ensure that the lessons learned may help them prepare better for future pandemics. More broadly, the 12th Ministerial Conference will look to provide practical and forward-looking solutions to a host of issues from trade and health, agriculture, fisheries subsidies, and dispute settlement. The G20 economies will have a key role to play in preparing the ground for Ministers to advance these issues.

Specific Findings

4. **World trade and GDP growth continued to exceed expectations in the first half of the year**, prompting the WTO to upgrade its forecasts for 2021 and 2022. The volume of world merchandise trade is now expected to increase by 10.8% in 2021, revised up from 8.0% previously. Trade growth should then slow to 4.7% in 2022, revised up from 4.0%. These estimates assume global GDP growth at market exchange rates of 5.3% in 2021 and 4.1% in 2022. The economic recovery has been boosted by sustained monetary and fiscal policy support in advanced economies, as well as in developing economies with sufficient fiscal space. Another factor promoting recovery has been the gradually improving production and dissemination of COVID-19 vaccines.

5. As of mid-October 2021, 6.6 billion doses have been administered worldwide. However, only 2.5% of people in low-income countries have received even a single dose. Failure to vaccinate more widely has contributed to a multi-speed recovery, with slower growth in countries and regions with less access to vaccines. Trade looks set to recover most strongly in Asia while less developed regions, including Africa and the Middle East, lag behind. Risks to the trade outlook are predominantly on the downside, including port congestion, rising shipping costs, shortages of semiconductors, and a resurgence of COVID-19. The trade projections above do not include trade in commercial services, which is likely to remain depressed until international travel returns to nearer pre-pandemic levels.

6. Since the outbreak of the pandemic, **144 COVID-19 trade and trade-related measures in goods have been implemented by G20 economies**. Of these, 105 (73%) were of a trade-facilitating nature and 39 (27%) could be considered trade restrictive. Export restrictions account for 95% of all restrictive measures recorded and of these 54% had been phased out by mid-October 2021. Thus, 18 trade restrictions are still in place, of which 17 are export restrictions. Around 20% of the trade-facilitating measures have been rolled back, meaning that 85 trade-facilitating measures are still in place. **Despite the low number of COVID-19 trade**

restrictions still in place, their estimated trade coverage was almost double (USD 88.4 billion) that of trade-facilitating measures (USD 48.2 billion).

7. During the period under review, **only a very limited number of new COVID-19 trade and trade-related measures were recorded for G20 economies on goods**, mainly consisting of extensions of existing measures originally implemented in the early stages of the pandemic, or the termination of others. Similarly, **the flow of new COVID-19-related support measures by G20 economies to mitigate the social and economic impacts of the pandemic decreased** over the past five months. **Services sectors were heavily impacted by the pandemic**, and 65 of the 73 reported COVID-19-related measures affecting trade in services put in place by G20 economies in response to the pandemic are still in force.

8. **With respect to non-COVID-19-related trade measures, 25 new trade-facilitating and 14 trade-restrictive measures on goods** were recorded for G20 economies. The monthly averages of both trade-facilitating and trade-restrictive measures are among the lowest since 2012. The trade coverage of the import-facilitating measures introduced during the review period was estimated at USD 36 billion and that of import-restrictive measures stood at USD 4.2 billion. Both figures are very low compared to previous review periods. The stockpile of G20 import restrictions in force has grown steadily since 2009 – both in value terms and as a percentage of world imports. By mid-October 2021, 10.41% of G20 imports were affected by import restrictions implemented by G20 economies since 2009 and which are still in force.

9. **Initiations of trade remedy investigations by G20 economies declined sharply during the review period** after reaching its highest peak in 2020. Trade remedy actions remain an important trade policy tool for G20 economies, accounting for 69% of all non-COVID-19-related trade measures on goods recorded in this Report.

10. With respect to **non-COVID-19-related services developments**, half of the 28 regular measures affecting trade in services implemented by G20 economies during the review period were identified as being trade restrictive. Measures mainly referred to foreign investment, communication services, Internet- and other network-enabled services, and financial services.

11. **G20 economies remain the most frequent users of the SPS and TBT Committees' transparency mechanisms.** Food safety was the most frequent objective identified in the 284 regular SPS notifications submitted by G20 economies during the review period. Of the 47 specific trade concerns (STCs) raised in the SPS Committee during the review period, 44 (94%) involved a G20 member. G20 economies submitted 39% of all 109 SPS notifications and communications on measures taken in response to the pandemic.

12. Most of the 336 new regular TBT notifications submitted by G20 economies during the review period, indicated the protection of human health or safety as their main objective. More than half (12 of 19) of the new and all of the persistent STCs discussed during the review period concerned G20 measures. G20 economies submitted 101 out of 173 TBT notifications (58%) to the WTO in response to the pandemic. TBT notifications in relation to the COVID-19 pandemic cover a wide range of products, including medicines, medical supplies and personal protective equipment (PPE).

13. **Most of the trade concerns raised in WTO bodies concerned G20 measures or policies.** Members continued to use WTO bodies to address their trade concerns. The overwhelming majority of the trade concerns raised in WTO committees and councils related to measures and policies implemented by G20 economies. Concerns raised appeared to indicate persistent and unresolved issues. The review period confirmed that WTO Members generally continue to actively use these WTO committees to engage trading partners on real or potential areas of trade friction.

14. **In the Committee on Agriculture, most questions focused on policies implemented by G20 economies.** Of the 287 questions raised during the review period, 78% related to policies implemented by G20 economies, including questions on Specific Implementation Matters (SIMs) under Article 18.6, individual notifications, and overdue notifications, with most questions related to domestic support notifications or policies.

15. G20 economies continued, during the review period, to fine-tune their intellectual property (IP) domestic frameworks and **to implement specific IP measures to facilitate the development and dissemination of COVID-19-related health technologies.**

16. The Report also covers **several other important trade-related developments and discussions** that took place during the review period. Work continued to advance multilateral negotiations on several issues, in preparation for the WTO's 12th Ministerial Conference to be held in Geneva from 30 November to 3 December 2021. Discussions also took place on other issues, including domestic regulation in services, electronic commerce, investment facilitation for development, micro, small and medium-sized enterprises (MSMEs), trade finance, and women's economic empowerment.

1 INTRODUCTION

1.1. This twenty-sixth WTO Trade Monitoring Report reviews trade and trade-related measures implemented by G20 economies during the period from 16 May to 15 October 2021.¹ The G20 Trade Monitoring Reports have been prepared since 2009 in response to the request by G20 Leaders to the WTO, together with the Organization for Economic Cooperation 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 Trade Monitoring Report on G20 economies, which covered the period from mid-October 2020 to mid-May 2021, was issued on 28 June 2021.

1.2. This Report is issued under the sole responsibility of the Director-General of the WTO. The Report aims to provide transparency on the very latest trends in the implementation of a broad range of policy measures that impact the flow of trade. It offers an update on the main indicators of the world economy and on the state of global trade.

1.3. As with the three previous Trade Monitoring Reports, this end-of-year Report arrives at a time when the world continues to fight against the COVID-19 pandemic. Since the outbreak of the pandemic in early 2020, and under its trade monitoring mandate, the WTO Secretariat has continued to monitor and report on the wide range of trade-related measures taken in response to the crisis. The cooperation of the G20 economies, individually and collectively, in submitting information on their policy actions continues to be fundamental for providing increased transparency on, and gaining a better global understanding of, the trade-related response to the pandemic.

1.4. Since the outbreak of the pandemic, a consistent feature of the trade and trade-related measures taken in response to the COVID-19 crisis has been the frequent changes, adjustments, and gradual roll-back of such measures to reflect the evolving situation. The updated lists of measures implemented in the context of the current pandemic are available on the COVID-19 page of the WTO website² and cover the areas of goods, services and intellectual property, as well as measures communicated by Members on general economic support. The lists presented on the website are updated regularly, and are not exhaustive. This information is provided for transparency purposes and does not question or pass judgement on the right of G20 economies to implement any of the measures listed. The full list of notifications received by the WTO Secretariat in the context of the COVID-19 pandemic is also available on the WTO website.³

1.5. In accordance with the practice of the WTO trade monitoring exercise of verifying information and measures with Members, the WTO Secretariat implemented an *ad hoc* verification process of COVID-19-related measures. In recognition of the fact that some measures did not initially have official government sources, the regular update of these measures was listed only on the dedicated COVID-19 page on the WTO Members' website, pending verification by the relevant delegation. For those trade and trade-related goods, services and intellectual property measures submitted directly by delegations, or where official sources were found, a separate list was made available on the WTO public website. Generally, G20 economies have cooperated constructively with the Secretariat in this transparency exercise, including through the notification process to the relevant WTO committees.

1.6. The structure of this G20 Trade Monitoring Report is similar to that of the June 2021 version. Each Section, except Section 2, will first cover the regular monitoring of trade and trade-related measures implemented during the review period. Subsequently, each Section will address developments in the context of the COVID-19 pandemic, including specific work and activities undertaken in various WTO committees in this context.

1.7. Section 2 of the Report provides an overview 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. Policy developments in trade in

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.

² WTO, *COVID-19 and World Trade*. Viewed at: https://www.wto.org/english/tratop_e/covid19_e/covid19_e.htm.

³ WTO, *WTO Members' Notifications on COVID-19*. Viewed at: https://www.wto.org/english/tratop_e/covid19_e/notifications_e.htm.

services and trade-related aspects of intellectual property rights (TRIPS) are included in Sections 4 and 5, respectively.

1.8. A separate Addendum to this Report contains Annexes on recorded non-COVID-19-related trade and trade-related measures taken by G20 economies in the areas of goods and services from 16 May to 15 October 2021. This separate Addendum lists new regular measures recorded for G20 economies during the review period. Measures implemented outside of this period are not included in these Annexes. A summary table, listing all regular trade measures recorded since the beginning of the trade monitoring exercise in October 2008 with an indication of their status, as updated by G20 delegations, and can be downloaded from the WTO's website.⁴ This information is also publicly available through the Trade Monitoring Database (TMDB).⁵

1.9. 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 returned for verification. Where it has not been possible to confirm the information, this is noted in the Annexes.

1.10. The OECD and the International Trade Centre (ITC) have kindly contributed topical boxes to this Report.

Box 1 About the WTO Trade Monitoring Report on G20 Trade Measures

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

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

Regarding trade remedy actions, it has been highlighted in discussions among G20 economies, as well as more broadly in the WTO, that some of these measures are taken to address what is perceived by some as a market distortion resulting from trade practices of entities in another trading partner. The WTO Anti-Dumping and SCM Agreements permit WTO Members to impose anti-dumping (AD) or countervailing (CVD) duties to offset what is perceived to be injurious dumping or subsidization of products exported from one Member to another. The Reports are not in a position to establish if, where or when such perceived distortive practices have taken place. The Reports have never categorized the use of trade remedies as protectionist or WTO inconsistent, or criticized governments for utilizing them. The main objective of monitoring these measures is to provide added transparency and to identify emerging trends in the application of trade policy measures.

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

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

Source: WTO Secretariat.

⁴ WTO, *Trade Monitoring*. Viewed at: https://www.wto.org/english/tratop_e/tpr_e/trade_monitoring_e.htm.

⁵ WTO, *Trade Monitoring Database*. Viewed at: <http://tmdb.wto.org>.

2 RECENT ECONOMIC AND TRADE DEVELOPMENTS

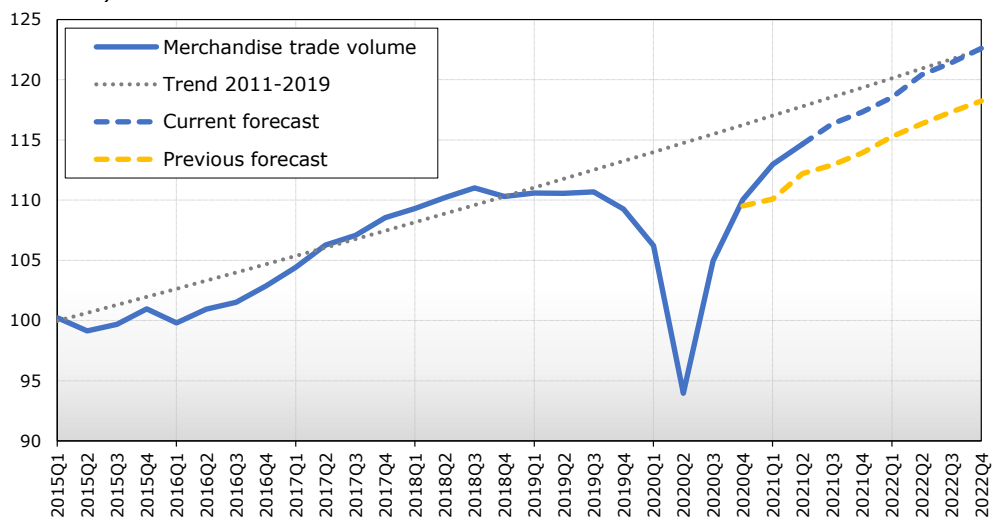
2.1 Overview of Trade Developments and Economic Outlook

2.1. World trade and GDP growth continued to exceed expectations during the review period, prompting the WTO to upgrade its forecasts for 2021 and 2022 on 4 October 2021.¹ However, the recovery continues to be marred by regional and sectoral divergences and by increasing strains on global supply chains.

2.2. The WTO now expects the volume of world merchandise trade to increase by 10.8% in 2021 and by 4.7% in 2022. The forecast for 2021 marks a strong upward revision from the previous estimate of 8.0% from last March, while the forecast for 2022 represents a more modest upgrade from 4.0% previously (Table 2.1). The pace of quarterly expansion should ease as the volume of merchandise trade approaches its pre-pandemic trend. Headwinds in the form of semiconductor shortages and shipping backlogs will probably also weigh on trade in the near term, but the biggest downside risk continues to be the COVID-19 pandemic.

Chart 2.1 World merchandise trade volume, 2015Q1-2022Q4

(Index, 2015=100)



2.3. The large growth rate for merchandise trade in 2021 is mostly related to the magnitude of the previous year's slump, which bottomed out in the second quarter of 2020. Year-on-year trade volume growth was 22.0% in the second quarter of 2021 due to a low base 2020, but this should fall to 10.9% in the third quarter and 6.6% in the fourth quarter if the current forecast is realized. Reaching the annual forecast for 2021 will only require quarter-on-quarter growth to average 0.8% in the second half of the year, which is equivalent to an annual rate of 3.1%.

2.4. Trade growth in the first half of 2021 exceeded previous forecasts for a number of reasons, including increased production and dissemination of COVID-19 vaccines. As of 13 October, nearly 6.6 billion doses had been administered worldwide. This achievement is remarkable, but still insufficient as many poor countries remain largely unvaccinated. To date, only 2.5% of people in low-income countries have received even a single dose of a COVID-19 vaccine.² Failure to vaccinate more widely has contributed to a multi-speed economic recovery, with slower growth in countries and regions with less access to vaccines. The existence of large populations of unvaccinated people also creates spaces for new strains of the virus to emerge, which could require the reimposition of

¹ WTO, Press/889 "Global trade rebound beats expectations but marked by regional divergences". Viewed at: https://www.wto.org/english/news_e/pres21_e/pr889_e.htm.

² Mathieu, E., Ritchie, H., Ortiz-Ospina, E. et al. "A global database of COVID-19 vaccinations." Nat Hum Behav (2021).

health-related controls. This has already happened with the highly contagious Delta variant and could happen again if global vaccination is not achieved.

2.5. The trade projections are dependent upon consensus forecasts for GDP at market exchange rates, which have global output growing 5.3% in 2021 (up from 5.1% in March) and 4.1% in 2022 (up from 3.8% previously). GDP growth has been boosted by sustained monetary and fiscal policy support in advanced economies and in developing economies with sufficient fiscal space. Governments in low-income countries have fewer resources to cushion households and businesses against pandemic-related shocks and have experienced weaker recoveries as a result.

2.6. Risks to the forecast are predominantly on the downside. These include port congestion, rising shipping rates, and shortages of semiconductors. The combination of supply side disruptions and strong demand for goods may also be contributing to inflation, which has hit multi-year highs in certain advanced economies. However, the COVID-19 pandemic still represents the greatest threat to world trade and output, particularly if more deadly variants of the disease emerge.

2.7. Certain trade-related indicators may provide some clues as to the seriousness of recent supply chain disruptions. One such indicator is the Manufacturing New Export Orders component of IHS-Markit's Global Purchasing Managers Index (PMI). Index values greater than 50 indicate expansion while values less than 50 denote contraction. Increased port congestion and rising shipping rates coincided with a jump in new export orders from a low of 39.0 in April 2020 to a peak of 54.9 in May of 2021. The index has since fallen to 51.0 in September, suggesting a cooling of global import demand. This could alleviate some of the strains on supply chains, although backlogs and high shipping rate may persist for some time.

2.8. Recent upticks in inflation could turn out to be transitory, but if inflationary expectations do become entrenched, central banks may be forced to tighten monetary policy earlier than planned. This could set off destabilizing capital flows and exchange rate fluctuations comparable to those seen when the US Federal Reserve announced the tapering of bond purchases after the financial crisis. Negative spill-overs from a phase-out of policy support could eventually hit trade flows. Governments should expect some periods of volatility when monetary and fiscal policies are eventually normalized.

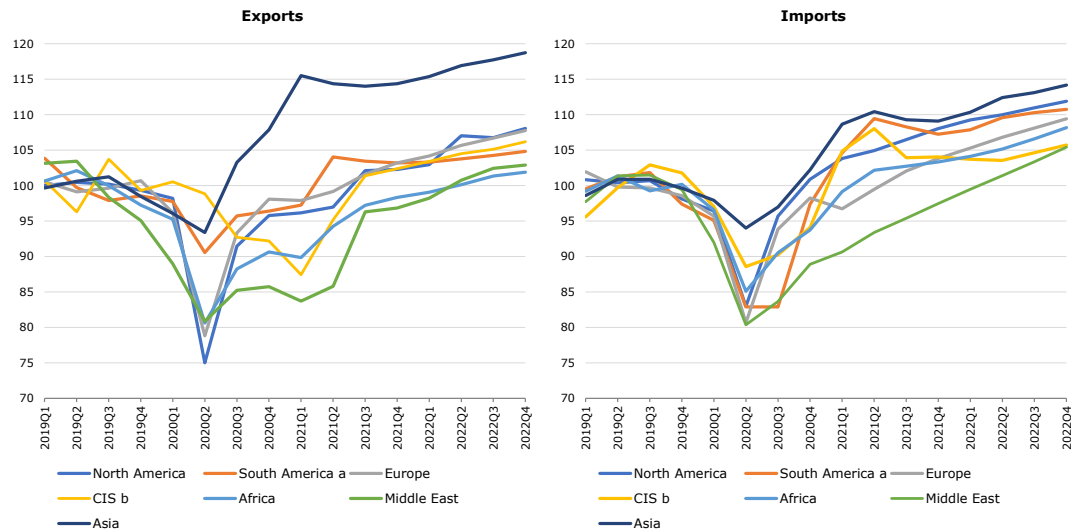
2.9. The trade recovery continues to diverge across regions, with the Middle East, Africa and South America expected to have the weakest performances on the export side through 2022. On the import side, the Middle East, the CIS, and Africa look set to have the weakest rebounds. This is illustrated by Chart 2.2, which shows quarterly merchandise trade volume growth by region since 2019. Year-on-year growth rates in 2021 do not fully capture the extent of economic recovery because the depth of the recession in 2020 differed from one region to another. Cumulative trade growth between 2019 and the end of 2022 provides a better indication of the impact of the pandemic.

2.10. If the current forecast is realized, by the fourth quarter of 2022 Asia's merchandise imports will be 14.2% higher than they were in 2019. Meanwhile, imports will have risen 11.9% in North America, 10.8% in South and Central America, 9.4% in Europe, 8.2% in Africa, 5.7% in the CIS and 5.4% in the Middle East. Asia's exports will have grown 18.8% over the same period, while other regions will have experienced more modest increases: 8.0% in North America, 7.8% in Europe, 6.2% in the CIS, 4.8% in South America, 2.9% in the Middle East and 1.9% Africa.

2.11. Regions that disproportionately rely on oil exports registered significant declines in both merchandise exports and imports during the 2020 recession, but most have only seen partial recoveries since then. South America's relatively strong import growth partly reflects an already low base in 2019 due to recessions in leading regional economies. Higher prices could boost export revenues of oil producers going forward and raise import demand in volume terms, but export volumes are likely to remain depressed until international travel returns to nearer pre-pandemic levels.

Chart 2.2 Volume of merchandise exports and imports by region, 2019Q1-2022Q4

(Seasonally adjusted volume indices, 2019 = 100)



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

Source: WTO Secretariat and UNCTAD.

2.12. Forecasts of annual merchandise trade volume growth and real GDP growth at market exchange rates are summarized in Table 2.1. Annual figures differ slightly from quarterly data for reasons of statistical methodology, but both depict similar regional divergences. If the trade forecast is realized, merchandise export growth in 2021 should be 8.7% in North America, 7.2% in South America, 9.7% in Europe, 0.6% in the CIS, 7.0% in Africa, 5.0% in the Middle East, and 14.4% in Asia. In the same period, merchandise imports should increase by 12.6% in North America, 19.9% in South America, 9.1% in Europe, 13.1% in CIS, 11.3% in Africa, 9.3% in the Middle East, and 10.7% in Asia. The Table also shows estimates for Least-Developed Countries (LDCs), which saw their exports increase by 5.3% and their imports rise by 5.5% in 2021.

2.13. As with quarterly figures, annual trade growth in 2021 depends, to a large extent, on the size of the decline that a region experienced in 2020. Consequently, cumulative growth between 2019 and 2021 provides a better indication of the total impact of the pandemic. If the second half of this year turns out as expected, global merchandise trade should be up 4.9% in 2021 compared to 2019. Asia will record the strongest growth on both the export and the import sides: 14.7% and 9.4%, respectively. Other regions will see much weaker growth on the export side: -0.6% in North America, 2.2% in South America, 1.0% in Europe, -1.0% in the CIS, -2.4% in Africa, and -7.2% in the Middle East. Import volume growth will also be considerably weaker: 5.7% in North America, 8.1% in South America, 0.8% in Europe, 7.5% in the CIS, -1.0% in Africa, and -5.9% in the Middle East. In LDCs, the volume of merchandise exports is expected to grow 3.2% between 2019 and 2021, while their imports are expected to fall 1.6%.

Table 2.1 Merchandise trade volume and real GDP, 2017-22^a

(Annual % change)

	2017	2018	2019	2020	2021P	2022P
Volume of world merchandise trade^b	4.8	3.1	0.1	-5.3	10.8	4.7
Exports						
North America	3.4	3.8	0.3	-8.6	8.7	6.9
South America ^c	2.2	-0.2	-2.2	-4.7	7.2	2.0
Europe	4.1	1.9	0.6	-7.9	9.7	5.6
CIS ^d	3.9	4.1	-0.3	-1.5	0.6	8.5
Africa	5.3	3.6	-0.7	-8.8	7.0	6.0
Middle East	-2.2	4.8	-2.2	-11.6	5.0	9.6
Asia	6.7	3.7	0.8	0.3	14.4	2.3
Imports						
North America	4.4	5.1	-0.6	-6.1	12.6	4.5

	2017	2018	2019	2020	2021P	2022P
South America ^c	4.4	5.6	-2.6	-9.9	19.9	2.1
Europe	3.9	1.9	0.3	-7.6	9.1	6.8
CIS ^d	13.9	4.0	8.5	-5.6	13.8	-0.8
Africa	-1.7	5.3	2.8	-11.1	11.3	4.1
Middle East	1.2	-4.1	2.4	-13.9	9.3	8.7
Asia	8.5	5.0	-0.5	-1.2	10.7	2.9
World GDP at market exchange rates	3.2	3.1	2.4	-3.5	5.3	4.1
North America	2.3	2.8	2.0	-4.0	5.6	3.7
South America ^c	0.7	0.3	-0.5	-7.5	4.9	2.9
Europe	2.7	2.0	1.5	-6.4	4.3	4.0
CIS ^d	2.3	3.1	2.6	-2.7	3.9	3.4
Africa	3.1	3.0	2.9	-2.8	3.5	4.1
Middle East	0.7	0.4	0.0	-4.6	2.9	4.5
Asia	5.0	4.7	3.9	-0.9	6.1	4.7
Memo: Least-developed countries (LDCs)						
Volume of merchandise exports	4.3	4.0	2.1	-2.0	5.3	4.7
Volume of merchandise imports	4.9	5.3	7.6	-6.7	5.5	8.6
Real GDP at market exchange rates	3.1	3.2	3.8	0.3	2.2	4.4

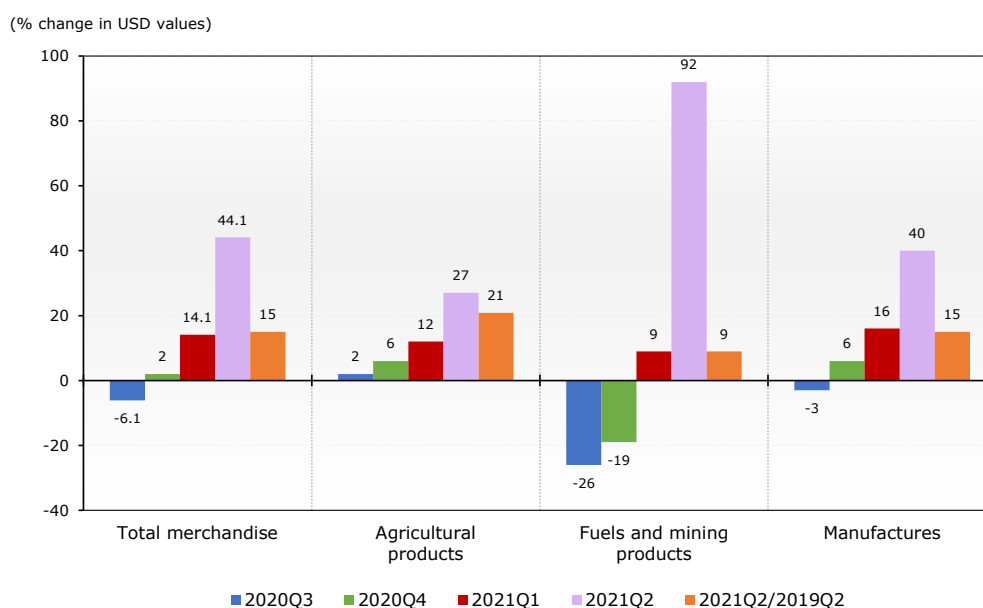
- a Figures for 2021 and 2022 are projections.
- b Average of exports and imports.
- c Refers to South and Central America and the Caribbean.
- d Refers to Commonwealth of Independent States (CIS), including certain associate and former member States.

Source: WTO for trade, consensus estimates for GDP.

2.2 Trade Developments

2.14. Chart 2.3 illustrates the evolution of merchandise trade in current US dollar terms through the first half of 2021 by sector. The value of total merchandise trade was up 44% year-on-year in Q2 due to the sharp decline in the second quarter of last year as the full economic impact of the COVID-19 pandemic was felt. World trade in manufactured goods was up by a similar amount (40%), while trade in agricultural products was up less (27%) and trade in fuels and mining products was up more (92%). The relatively small year-on-year increase in agricultural products' trade in Q2 can be explained by stable demand for food during the first wave of the pandemic. In contrast, prices and quantities of traded fuels collapsed during the trade slump as domestic and international travel restrictions were imposed. Both have recovered substantially since then, including a tripling of crude oil prices between April 2020 and August 2021. The value of merchandise trade in the second quarter of 2020 was also up moderately (15%) compared to the second quarter of 2019.

Chart 2.3 Year-on-year growth in world merchandise trade by sector, 2020Q3-2021Q2

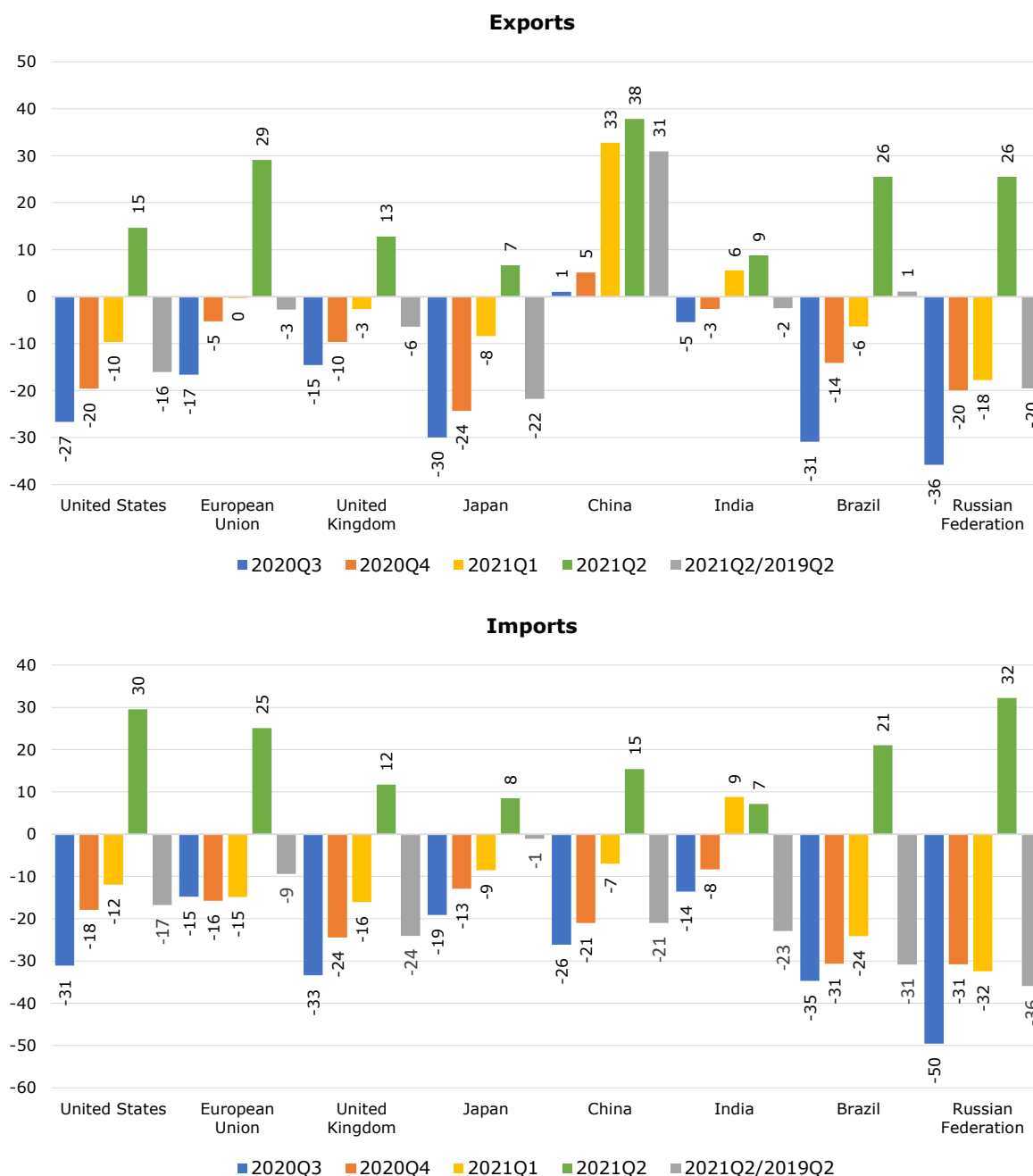


Source: WTO estimates.

2.15. Although aggregate statistics on world commercial services' trade through Q2 have not been released yet, data for many individual economies are available. These are illustrated by Chart 2.4, which shows year-on-year growth in the nominal US dollar value of commercial services exports and imports of selected economies. Most countries recorded double-digit year-on-year increases in both exports and imports in the second quarter, including a 38% rise in exports of China and a 30% increase in imports of the United States. However, except for Brazilian and Chinese exports, services trade in Q2 was still down substantially compared to the second quarter of 2019.

Chart 2.4 Commercial services exports and imports of selected economies, 2020Q3Q2-2021Q2

(% change in current USD values)



Source: WTO Secretariat and UNCTAD.

3 TRADE AND TRADE-RELATED POLICY DEVELOPMENTS

3.1 Overview of Trends Identified During the Review Period

3.1. This Section provides analysis of selected trade and trade-related policy developments in the area of goods during the period from mid-May to mid-October 2021. It is divided into two parts. The first part looks at regular, i.e. non-COVID-related measures implemented during the review period, including calculations on trade coverage.¹ The second part, in Section 3.1.2, covers measures taken in the context of the COVID-19 pandemic. Measures in the second part are not included in the trade coverage calculations and are not counted towards the aggregate numbers in part 1.

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 May to 15 October 2021. 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 126 trade measures were recorded for the G20 economies during the review period (Chart 3.1).² This figure includes measures facilitating trade, trade remedy measures and other trade and trade-related measures, i.e. trade-restrictive measures. It excludes measures taken in response to the COVID-19 pandemic. Chart 3.2 below illustrates the trade coverage of the measures recorded for the G20 economies during the review period.

Chart 3.1 G20 measures, mid-May to mid-October 2021

(Number)

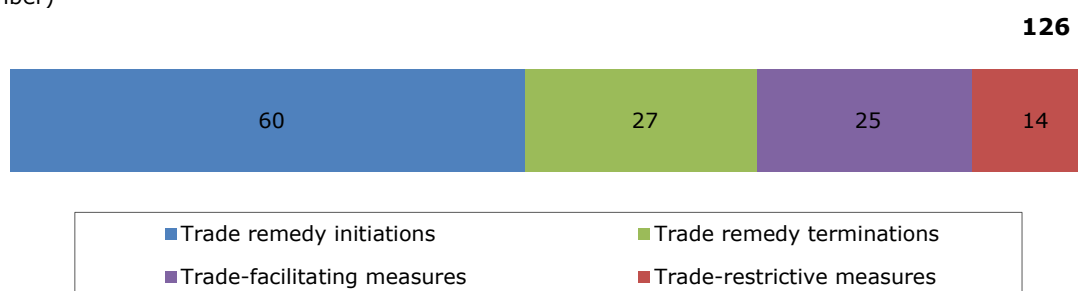
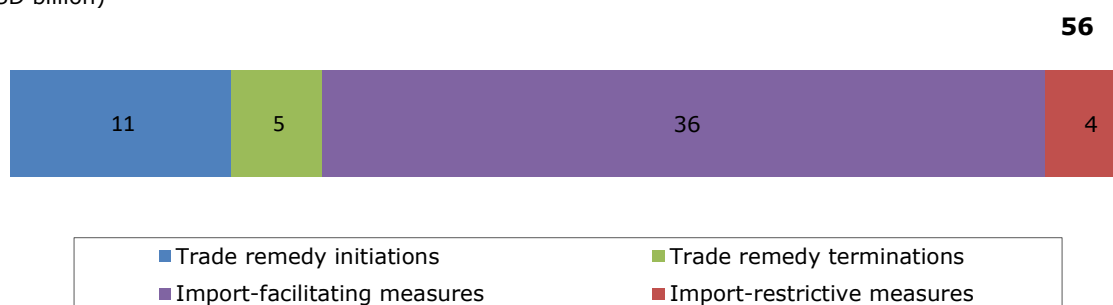


Chart 3.2 Trade coverage of G20 measures, mid-May to mid-October 2021

(USD billion)



¹ COVID-19 trade and trade-related measures are not included. Those are covered in Section 3.1.2.

² See Annexes 1-3 in the separate Addendum. These Annexes do not include SPS and TBT measures, which are covered in Sections 3.3 and 3.4. Services measures are analysed in Section 4 and are listed in Annex 4.

Measures facilitating trade

3.4. Annex 1 contained in the Addendum to this Report lists measures that are clearly trade-facilitating. During the review period, 25 new trade-facilitating measures were recorded for G20 economies (Table 3.1), of which 11 were of a temporary nature. This represents 20% of the total number of measures recorded. The monthly average of five trade-facilitating measures recorded for the period is the second lowest recorded since 2012. It is, however, marginally higher than the monthly average of trade-facilitating measures throughout 2020.

Table 3.1 Measures facilitating trade (Annex 1)

Type of measure	2012	2013	2014	2015	2016	2017	2018	2019	2020	Mid-Oct 20 to mid-May 21 (7 months)	Mid-May 21 to mid-Oct 21 (5 months)
Import	83	63	71	65	59	59	70	54	49	32	22
- Tariff	72	50	58	55	51	48	62	51	43	31	20
- Customs procedures	8	12	9	7	6	9	4	1	2	0	2
- Tax	1	1	0	2	2	2	3	1	3	0	0
- QRs	2	0	4	1	0	0	1	1	1	1	0
Export	7	4	5	19	12	18	8	5	4	2	2
- Duties	3	2	2	10	5	1	5	4	3	1	2
- QRs	3	2	1	2	1	1	0	0	0	1	0
- Other	1	0	2	7	6	16	3	1	1	0	0
Other	3	1	1	2	2	0	0	1	1	1	1
Total	93	68	77	86	73	77	78	60	54	35	25
<i>Average per month</i>	7.8	5.7	6.4	7.2	6.1	6.4	6.5	5.0	4.5	5.0	5.0

Note: Revisions of the data reflect changes undertaken in the TMDB to fine-tune and update the available information. COVID-19 trade and trade-related measures are not included. Those measures are covered in Section 3.1.2.

Source: WTO Secretariat.

3.5. Table 3.1 above shows that, as for the previous periods, the reduction or elimination of import tariffs make up the bulk of trade-facilitating measures. On the export side, measures included reductions of export duties.³

Table 3.2 Share of trade covered by import-facilitating measures

(%)

	Mid-Oct 16 to mid-May 17	Mid-May to mid-Oct 17	Mid-Oct 17 to mid-May 18	Mid-May to mid-Oct 18	Mid-Oct 18 to mid-May 19	Mid-May to mid-Oct 19	Mid-Oct 19 to mid-May 20	Mid-May 20 to mid-Oct 20	Mid-Oct 20 to mid-May 21	Mid-May 21 to mid-Oct 21
Share in G20 imports	1.29	0.22	0.68	1.59	2.92	0.61	4.88	0.25	3.02	0.27
Share in total world imports	0.99	0.17	0.52	1.23	2.28	0.48	3.78	0.19	2.32	0.20

Note: Estimates based on 2020 imports.

Source: WTO Secretariat and UN Comtrade database.

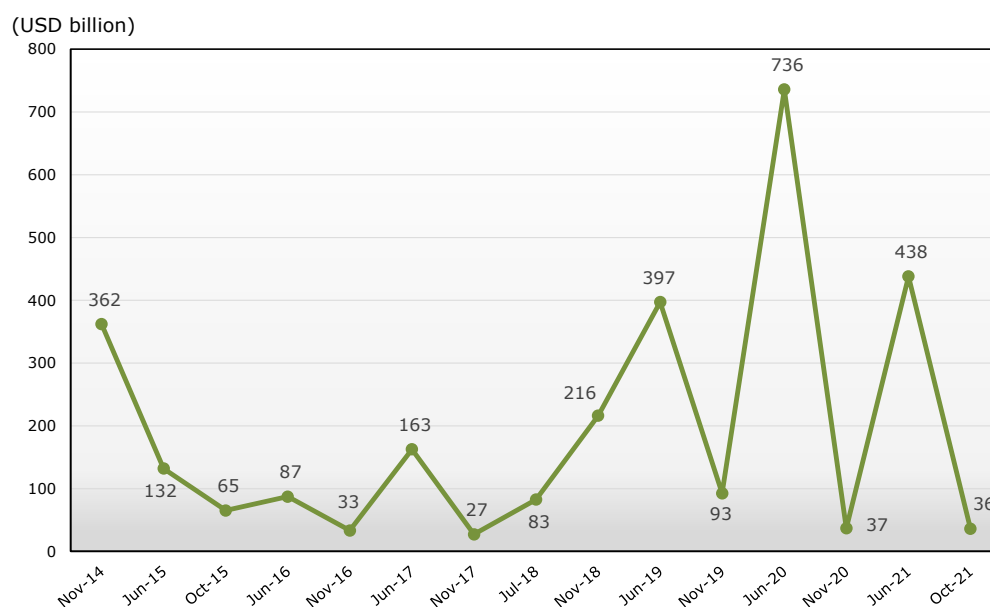
3.6. The trade coverage of the import-facilitating measures introduced during the review period was estimated at USD 36 billion, i.e. 0.27% of the value of G20 merchandise imports. This share is the

³ For example, reduction of export duties on 67 tariff lines by Argentina on ferro-alloys by the Russian Federation (Eurasian Economic Union).

third-lowest reported for these types of measures since November 2014 when calculations of trade coverage were initiated (Table 3.2 above and Chart 3.3).

3.7. The HS Chapters within which most of the trade-facilitating measures were taken include animal and vegetable fats and oils (HS 15) (28.8%), electrical machinery and parts thereof (HS 85) (19.6%), machinery and mechanical appliances (HS 84) (19.4%), and miscellaneous chemical products (HS 38) (9.9%).

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



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

Source: WTO Secretariat.

Trade coverage of the ITA Expansion Agreement

3.8. The implementation of the ITA Expansion Agreement⁴ is entering its final phase. This report includes four measures resulting from the implementation of the ITA Expansion Agreement by Australia, China, the European Union, and the Republic of Korea. According to preliminary estimates by the WTO Secretariat, the trade coverage of the import-facilitating measures implemented during the review period in the context of the ITA Expansion Agreement amounted to USD 129.6 billion, or around 0.96% of the value of G20 merchandise imports.⁵ Given the significant trade coverage value of these measures, they have not been included in the figures estimating the trade coverage of import-facilitating measures in Section 3.1.1, as it would make any comparison with previous Reports difficult.

Trade remedy actions

3.9. During the period under review, 87 trade remedy actions were recorded for G20 economies (Annex 2), accounting for 69% of all trade-related measures recorded in this Report. After reaching its highest peak so far in 2020, the average number of trade remedy initiations during the review period was 12.0 per month (Table 3.3 and Chart 3.4), the lowest since 2012. The monthly average of trade remedy terminations recorded is the lowest recorded since 2012.

⁴ G20 participants to the ITA: Canada (all duty free as of July 2019); and the United States (all duty free as of July 2019). WTO document G/MA/W/117, 26 January 2019.

⁵ Calculated at the HS six-digit level and using 2020 import figures.

Table 3.3 Trade remedy actions (Annex 2)

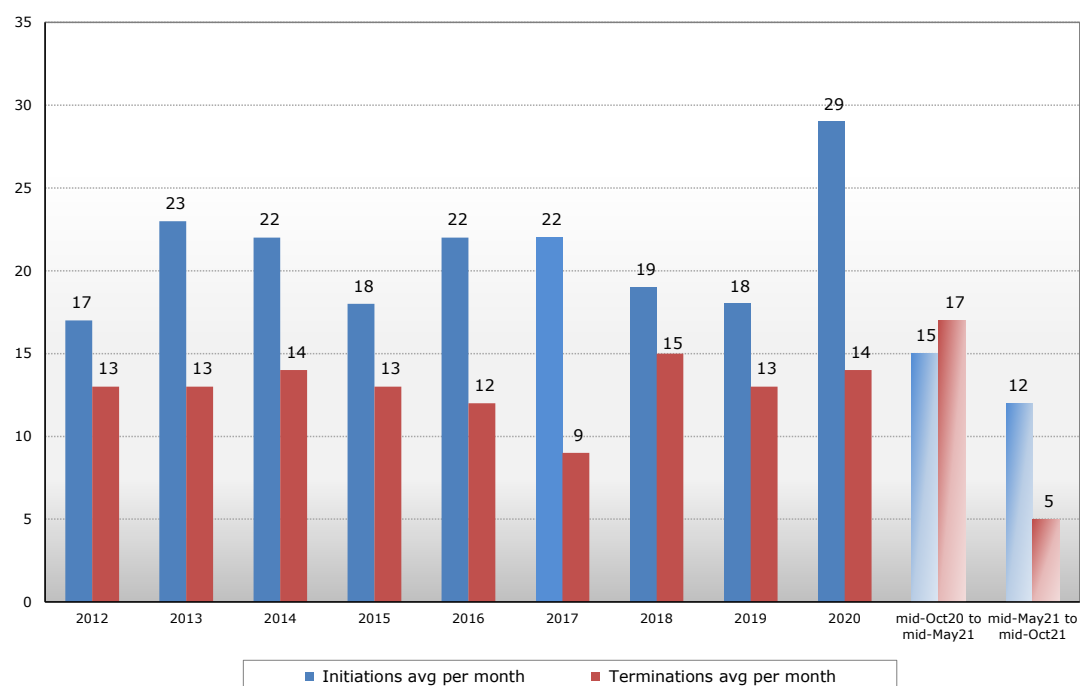
Type of measure	2012	2013	2014	2015	2016	2017	2018	2019	2020	Mid-Oct 20 to mid-May 21 (7 months)	Mid-May to mid-Oct 21 (5 months)
Initiations	201	278	258	210	262	258	223	221	343	105	60
- AD	166	238	208	175	226	213	168	174	279	84	55
- CVD	22	33	37	31	30	39	47	35	55	19	4
- SG	13	7	13	4	6	6	8	12	9	2	1
<i>Average per month</i>	<i>16.8</i>	<i>23.2</i>	<i>21.5</i>	<i>17.5</i>	<i>21.8</i>	<i>21.5</i>	<i>18.6</i>	<i>18.4</i>	<i>28.6</i>	<i>15.0</i>	<i>12.0</i>
Terminations	161	153	171	151	142	113	185	152	173	122	27
- AD	130	135	144	122	120	93	165	141	159	114	22
- CVD	21	15	21	19	15	10	20	6	11	6	2
- SG ^a	10	3	6	10	7	10	0	5	3	2	3
<i>Average per month</i>	<i>13.4</i>	<i>12.8</i>	<i>14.3</i>	<i>12.6</i>	<i>11.8</i>	<i>9.4</i>	<i>15.4</i>	<i>12.7</i>	<i>14.4</i>	<i>17.4</i>	<i>5.4</i>

Note: The information on trade remedy actions for 2012 to 2020 is based on the semi-annual notifications. For the present review period, the information is also based on the responses and the verifications received directly from Members.

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

Source: WTO Secretariat.

Chart 3.4 G20 trade remedy initiations and terminations



Source: WTO Secretariat.

3.10. Trade remedy actions taken during the review period included initiations of investigations on organic chemicals (HS 29) (54.4%), iron and steel (HS 72) (21.4%), and machinery and mechanical appliances (HS 84) (5.3%).

3.11. The trade coverage of all trade remedy investigations initiated during the review period was USD 11 billion, i.e. 0.08% of the value of G20 merchandise imports (0.06% of world imports)

(Table 3.4). For terminations, the trade coverage was valued at USD 4.5 billion (0.03% of the value of G20 merchandise imports and 0.025% of world imports).

Table 3.4 Share of trade covered by trade remedy initiations

(%)

	Mid-Oct 15 to mid-May 16	Mid-May to mid-Oct 16	Mid-Oct 16 to mid-May 17	Mid-May to mid-Oct 17	Mid-Oct 17 to mid-May 18	Mid-May to mid-Oct 18	Mid-Oct 18 to mid-May 19	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
Share in G20 imports	0.47	0.11	0.20	0.24	0.43	0.18	0.14	0.11	0.16	0.23	0.11	0.08
Share in total world imports	0.36	0.08	0.15	0.19	0.33	0.14	0.11	0.09	0.13	0.18	0.08	0.06

Note: Estimates based on 2020 imports.

Source: WTO Secretariat and UN Comtrade database.

Other trade and trade-related measures

3.12. Annex 3 of the Addendum to this Report lists measures that may be considered to have a trade-restrictive effect. A total of 14 new trade-restrictive measures were recorded for G20 economies, mostly stricter administrative customs procedures⁶, and increase of import tariffs.⁷ Restrictive measures on exports included the imposition of bans⁸ followed by stricter export procedures.⁹ The monthly average of 2.8 trade-restrictive measures is the lowest since 2012 (Table 3.5).

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

Type of measure	2012	2013	2014	2015	2016	2017	2018	2019	2020	Mid-Oct 20 to mid-May 21 (7 months)	Mid-May to mid-Oct 21 (5 months)
Import	57	59	44	61	42	36	60	45	39	15	5
- Tariffs	25	34	29	36	25	20	46	27	19	3	2
- Customs procedures	25	15	12	19	13	12	2	4	6	7	3
- Taxes	2	3	2	3	2	1	3	3	2	1	0
- QRs	4	7	1	3	2	2	8	9	7	1	0
- Other	1	0	0	0	0	1	1	2	5	3	0
Export	10	20	14	23	6	11	10	8	18	9	6
- Duties	1	1	4	5	1	3	6	1	3	3	1
- QRs	5	4	5	4	1	4	2	2	5	4	3
- Other	4	15	5	14	4	4	2	5	10	2	2
Other	8	4	9	7	8	12	0	1	0	2	3
- Local content	4	4	9	7	8	10	0	0	0	2	2
- Other	4	0	0	0	3	2	0	1	0	0	1

⁶ For example, import "criterion values" for several products by Argentina, and stricter import requirements on integrated circuits and mercury by India.

⁷ For example, suspension of substantially equivalent concessions and other obligations under GATT 1994 on trade with the United Kingdom by the Republic of Korea and increase of import tariffs on foot-operated grease guns and grinding balls by South Africa (SACU).

⁸ For example, quantitative restrictions (QRs) on bovine meat by Argentina, non-automatic export licensing requirement on exports of waste glass and waste plastic by Australia and restriction on export of syringes by India.

⁹ For example, reference values for export on certain products by Argentina, and implementation of prior export authorization on certain products by Turkey.

Type of measure	2012	2013	2014	2015	2016	2017	2018	2019	2020	Mid-Oct 20 to mid-May 21 (7 months)	Mid-May to mid-Oct 21 (5 months)
Total	75	83	67	91	56	59	70	54	57	26	14
<i>Average per month</i>	6.3	6.9	5.6	7.6	4.7	4.9	5.8	4.5	4.8	3.7	2.8

Note: Revisions of the data reflect changes undertaken in the TMDB to fine-tune and update the available information. COVID-19 trade and trade-related measures are not included. Those measures are covered in Section 3.1.2.

Source: WTO Secretariat.

3.13. The measures recorded in Annex 3 cover a range of products. The main sectors affected (HS Chapters) were electrical machinery and parts thereof (HS 85) (95.3%); machinery and mechanical appliances (HS 84) (2.5%); and toys, games, and sport requisites (HS 95) (1.5%).

3.14. The trade coverage of the trade-restrictive measures affecting imports implemented during the review period was estimated at USD 4.2 billion, i.e. 0.03% of the value of G20 merchandise imports (0.02% of world imports) (Table 3.6 and Chart 3.5).¹⁰

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

(%)

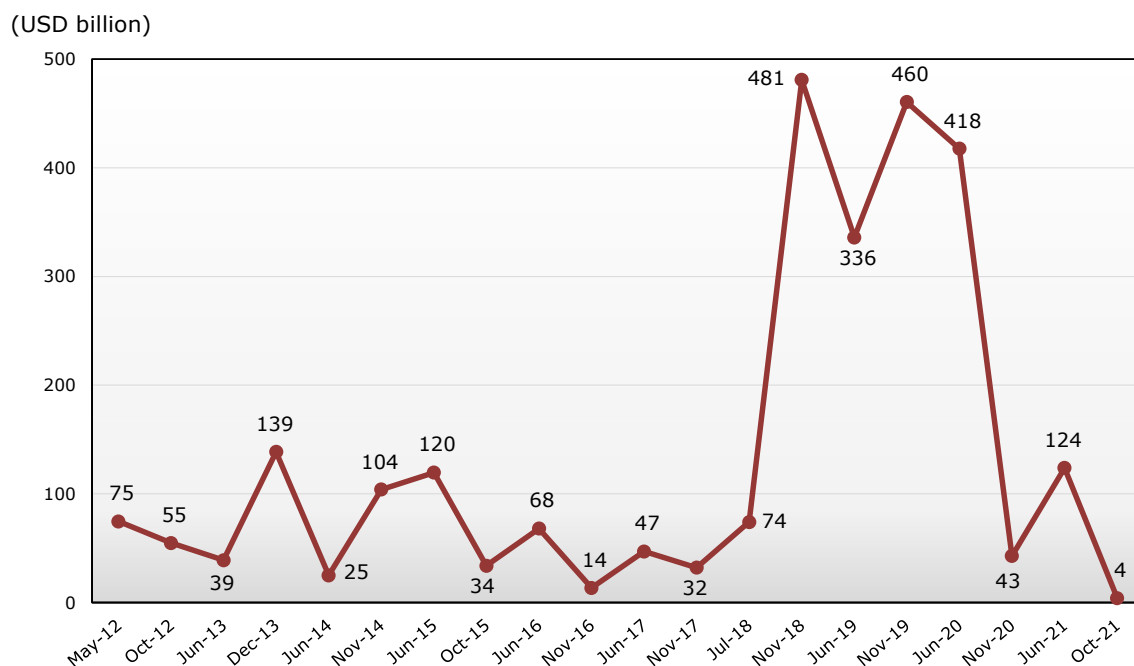
	Mid-Oct 15 to mid-May 16	Mid-May to mid-Oct 16	Mid-Oct 16 to mid-May 17	Mid-May to mid-Oct 17	Mid-Oct 17 to mid-May 18	Mid-May to mid-Oct 18	Mid-Oct 18 to mid-May 19	Mid-May to mid-Oct 19	Mid-Oct 19 to mid-May 20	Mid-May to mid-Oct 20	Mid-Oct 20 to mid-May 21	Mid-May to mid-Oct 21
Share in G20 imports	0.51	0.11	0.37	0.26	0.61	3.53	2.47	3.05	2.77	0.29	0.85	0.03
Share in total world imports	0.40	0.08	0.29	0.2	0.47	2.73	1.93	2.36	2.14	0.23	0.66	0.02

Note: Estimates based on 2020 imports.

Source: WTO Secretariat and UN Comtrade database.

¹⁰ These figures include one measure by India (amendments introduced to the import policy of integrated circuits), accounting for 95.3% of the total.

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



Source: WTO Secretariat.

Stockpile of import-restrictive measures

3.15. Accurately estimating the roll-back of import-restrictive measures, and eventually the overall stockpile, is made complex by the fact that many temporary measures remain in place beyond the envisaged termination date. Moreover, the Secretariat does not always receive accurate information on changes to reported measures. As a result, the figures below are estimates based on the information recorded in the TMDB since 2009. These estimates are also conditioned by the availability of termination dates of the import-restrictive measures and of the HS codes of products covered.¹¹

3.16. 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 – and that a significant increase in both took place from 2017 to 2018. This specific jump is largely explained by measures introduced on steel and aluminium, and by tariff increases introduced as part of bilateral trade tensions. Global imports decreased substantially in 2020 compared to 2019. The decline was also reflected in G20 total imports and in the value of the G20 import restrictions in force. At the end of 2020, some 10.36% of G20 imports were affected by import restrictions implemented by G20 economies since 2009 and which are still in force (a slight decline compared to 2019). Preliminary estimates suggest that as at mid-October 2021, the stockpile of G20 import restrictions in force was about USD 1.4 trillion representing 10.41% of G20 total imports and 7.99% of total world imports.

3.17. Table 3.7 also shows that the trade coverage for G20 terminations of import restrictions represents 0.09% of G20 total imports, suggesting that any roll-back or phase-out of such measures remains negligible.

¹¹ Only import measures where HS codes were available are included in the calculation.

Table 3.7 Cumulative trade coverage of G20 import-restrictive trade-related measures, 2011-20

(USD billion, unless otherwise indicated)

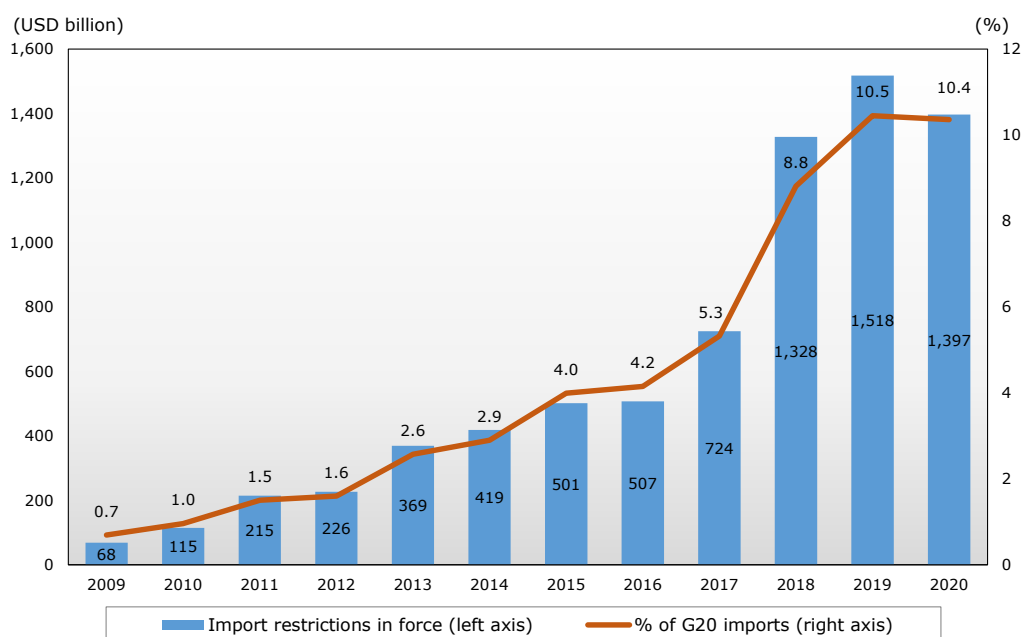
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total imports (world)	18,109	18,193	18,483	18,654	16,360	15,812	17,587	19,402	18,883	17,569
Total imports (G20)	14,263	14,143	14,340	14,451	12,561	12,228	13,615	15,064	14,522	13,485
Total G20 import restrictions in force	214.60	226.26	369.04	418.51	500.95	506.92	724.23	1,327.78	1,517.86	1,396.72
Share in G20 imports (%)	1.50	1.60	2.57	2.90	3.99	4.15	5.32	8.81	10.45	10.36
Share in world imports (%)	1.19	1.24	2.00	2.24	3.06	3.21	4.12	6.84	8.04	7.95
Total G20 import restrictions terminated	13.73	58.67	36.53	32.69	0.19	0.02	3.88	5.44	13.12	n.a.
Share in G20 imports (%)	0.10	0.41	0.25	0.23	0.001	0.0001	0.03	0.04	0.09	n.a.
Share in world imports (%)	0.08	0.32	0.20	0.18	0.001	0.0001	0.02	0.03	0.07	n.a.

Note: Based on 2020 import data (except for the Russian Federation and the Kingdom of Saudi Arabia, import data (2019)).

n.a. Not applicable. For this Report no information was received from G20 economies about the termination of non-COVID-19-related import restrictions.

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

Source: WTO Secretariat.

3.18. This review period has not seen an escalation of the bilateral trade tensions that have characterized some previous reports. In fact, the current review period saw the extension of the waiver on the additional tariffs imposed by China on the United States on certain products.

3.1.2 COVID-19 trade and trade-related measures

3.19. Overall, since the outbreak of the pandemic, 144 trade and trade-related measures in the area of goods have been implemented by G20 economies (Table 3.8),¹² of which 105 (73%) were of a trade-facilitating nature and 39 (27%) could be considered trade restrictive. Export restrictions account for 95% of all restrictive measures recorded (Charts 3.7 and 3.8).

3.20. During the review period, only a very limited number of new COVID-19 trade and trade-related measures were recorded for G20 economies, mainly consisting of extensions of existing measures originally implemented in the early stages of the pandemic¹³, or the termination of others.¹⁴

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

	Facilitating	Phased out	Restrictive	Phased out	Total
Import	62	15	0	0	62
Export	31	3	37	20	68
Other	12	2	2	1	14
Total	105	20	39	21	144

Source: WTO Secretariat.

3.21. According to preliminary estimates by the WTO Secretariat, the trade coverage of the COVID-19 trade-facilitating measures implemented since the outbreak of the pandemic amounted to USD 211.4 billion, and the trade coverage of trade-restrictive measures was estimated at USD 137.4 billion.¹⁵

3.22. Table 3.8 shows that the reduction or elimination of import tariffs and import taxes make up 60% of trade-facilitating measures taken. Certain G20 economies reduced their tariffs on a variety of goods such as PPE, sanitizers, disinfectants, medical equipment, and medicine/drugs. In many cases, tariff reductions were also accompanied by exemptions from VAT and other taxes. Extensions, often more than once, of some measures were implemented, while other measures have simply remained in force.

3.23. G20 economies continue their gradual lifting of export restrictions targeting products such as surgical masks, gloves, medicine, disinfectant, and food products. Other trade and trade-related measures taken in the early stages of the pandemic are also being rolled back. According to preliminary estimates by the WTO Secretariat, the trade coverage of the trade-restrictive measures implemented in response to the pandemic repealed amounted to USD 49 billion.¹⁶ Fifty-four percent of the 37 export restrictive measures implemented by G20 economies had been repealed by mid-October 2021.

3.24. G20 economies have also been repealing facilitating measures implemented in response to the pandemic. Around 19% of COVID-19-specific facilitating measures by G20 economies have been terminated. According to preliminary estimates by the WTO Secretariat, the trade coverage of the trade-facilitating measures that have been terminated amounted to USD 163.2 billion.¹⁷

3.25. It is worth noting that most G20 economies have extended many trade facilitating measures originally introduced in immediate response to the pandemic. At the same time, a host of other facilitating measures have been rolled back to pre-pandemic higher tariff levels.

¹² Measures implemented in the context of the pandemic until mid-October 2021 can be viewed at: https://www.wto.org/english/tratop_e/covid19_e/covid19_e.htm.

¹³ For example, the European Union extended its export authorization of vaccines against SARS-related coronaviruses.

¹⁴ For example, Turkey terminated its export authorization on certain PPE, and the United States phased out the FEMA temporary rule allocating certain scarce materials for domestic use.

¹⁵ Including imports and exports and based on annual 2020 trade figures, except for the Russian Federation and the Kingdom of Saudi Arabia.

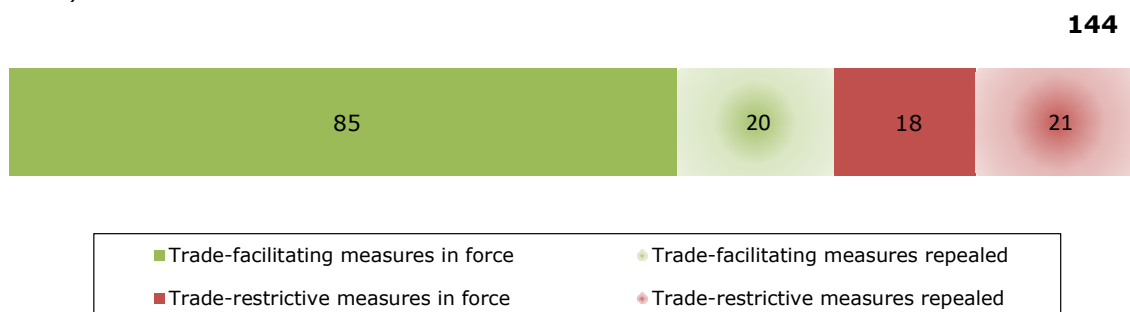
¹⁶ Including imports and exports and based on annual 2020 trade figures, except for the Russian Federation and the Kingdom of Saudi Arabia.

¹⁷ Including imports and exports and based on annual 2020 trade figures, except for the Russian Federation and the Kingdom of Saudi Arabia.

3.26. Chart 3.8 shows the trade coverage of pandemic-related trade-facilitating and trade-restrictive measures in force and phased out since the beginning of the pandemic.

Chart 3.7 G20 COVID-19 trade and trade-related measures, by mid-October 2021

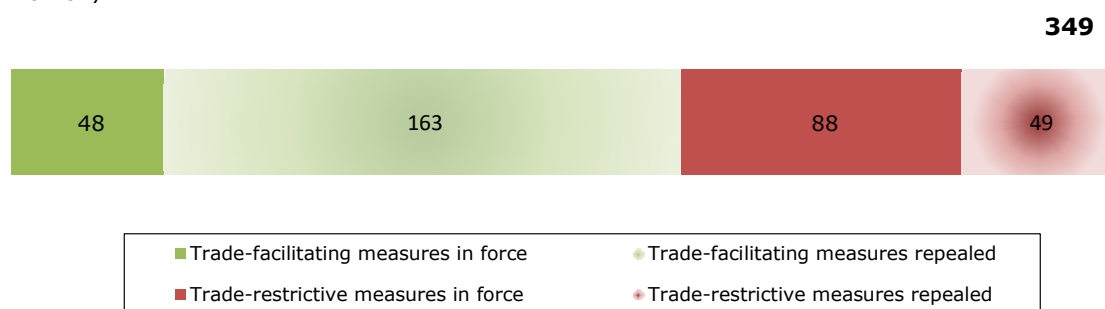
(Number)



Source: WTO Secretariat.

Chart 3.8 Trade coverage of G20 COVID-19 trade and trade-related measures, by mid-October 2021

(USD billion)



Note: Values are rounded.

Source: WTO Secretariat.

3.2 Trade Remedies¹⁸

3.27. This Section provides an assessment of trends in the use of trade remedies by G20 economies during the following periods: July-December 2019, January-June 2020, July-December 2020 and January-June 2021.¹⁹

Anti-Dumping Measures²⁰

3.28. The most recent data (January-June 2021) show a decrease of 25% in the number of anti-dumping investigations initiated by G20 economies compared to the previous six-month period (July-December 2020). On a 12-month basis, the number of initiations decreased to 213 in the July 2020-June 2021 period from 250 in the July 2019-June 2020 period (Table 3.9).

3.29. 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 in this Section, 297 anti-dumping measures were applied by G20 economies (Table 3.9). However, as it can take up to

¹⁸ This Section is without prejudice to Members' right to take trade remedy actions under the WTO.

¹⁹ These periods coincide with Members' semi-annual reporting periods.

²⁰ 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 or customs territories is counted as n investigations.

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 G20 initiations of anti-dumping investigations and measures applied

(Number)

G20 economy	July-Dec 2019		Jan-June 2020		July-Dec 2020		Jan-June 2021	
	Initiations	Measures	Initiations	Measures	Initiations	Measures	Initiations	Measures
Argentina	7	8	4	4	2	7	6	6
Australia	0	2	15	0	3	0	6	2
Brazil	1	6	3	0	6	0	7	3
Canada	6	0	6	3	18	2	5	15
China	4	9	0	1	4	8	0	20
European Union ^a	6	3	2	3	10	5	5	1
India	41	3	57	6	35	6	25	26
Indonesia	6	1	2	0	0	0	0	0
Japan	1	0	1	0	0	1	2	1
Korea, Republic of	1	0	0	0	3	1	4	0
Mexico	3	3	4	0	3	4	0	2
Russian Federation ^b	2	1	2	3	2	2	2	3
Saudi Arabia ^c	0	0	1	2	0	0	3	1
South Africa ^d	0	0	0	3	4	0	6	0
Turkey	2	0	2	0	1	2	8	0
United Kingdom ^e	n.a. ^f	n.a. ^f	0	0	0	0	1	0
United States	13	17	58	12	31	9	11	50
Total	93	53	157	37	122	47	91	130

n.a. Not applicable.

a The European Union is counted as one (28 member States until 31 January 2020).

b Notified by the Russian Federation, but investigations are initiated by the Eurasian Economic Union (EAEU) 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 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.

e The United Kingdom withdrew from the European Union as of 1 February 2020. The European Union and the United Kingdom communicated that during the transition period, which ended on 31 December 2020, European Union law, with a few limited exceptions, continued to be applicable to and in the United Kingdom. See WTO documents WT/LET/1462, 29 January 2020; and WT/GC/206, 1 February 2020.

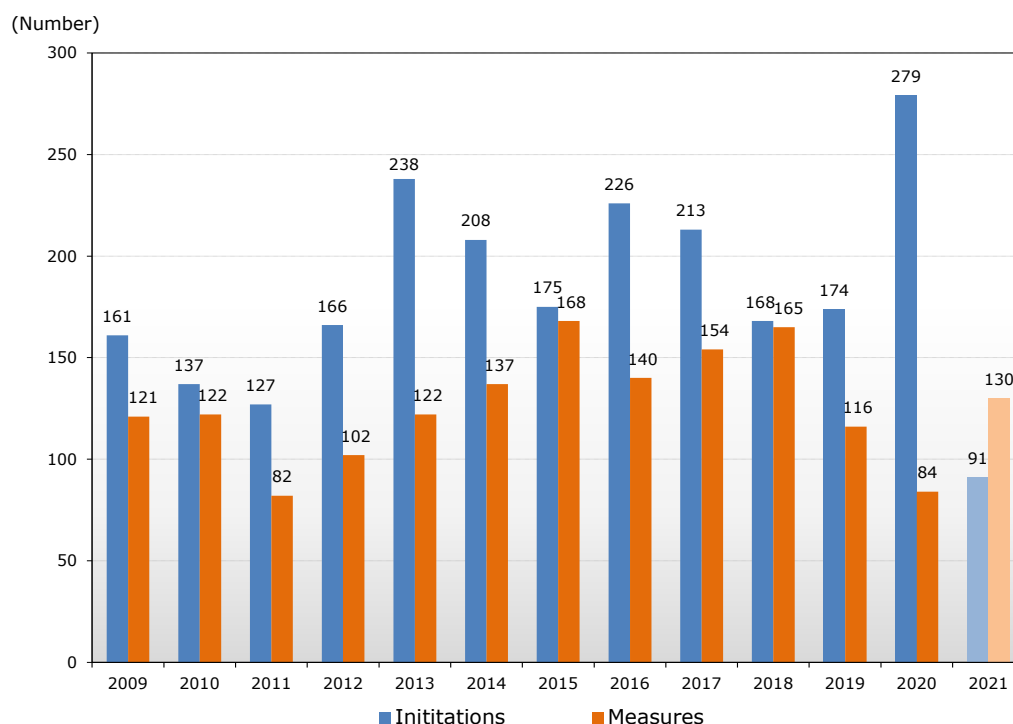
f Member State of the European Union during the period in question.

Source: WTO Secretariat.

3.30. In terms of products affected by initiations of anti-dumping investigations, while in the first three periods examined most initiations focused on products in the metals, chemicals, and plastics and rubber sectors, in the most recent period examined, investigations were also initiated with respect to the animal products and machinery sectors.

3.31. Chart 3.9 provides an overview of anti-dumping activities of G20 economies since the first monitoring report was circulated in September 2009.

Chart 3.9 G20 anti-dumping investigations and measures applied, 2009-21



Note: Data for 2021 cover January to June.

Source: WTO Secretariat.

3.32. As at 8 October 2021, only two G20 economies had notified anti-dumping actions referring to the COVID-19 pandemic. Brazil suspended anti-dumping duties on syringes and vacuum plastic tubes for blood collection, and Argentina suspended anti-dumping duties on syringes and parenteral solutions.

Countervailing Measures

3.33. The most recent data (January-June 2021) show a significant decrease in the number of countervailing duty investigations initiated by G20 members compared to the previous six-month period (July-December 2020). On a 12-month basis, the number of initiations decreased to 39 in July 2020-June 2021 from 48 in July 2019-June 2020 (Table 3.10).

3.34. Over the 24 months reviewed in this Section, 58 countervailing measures were applied by G20 economies. However, 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 G20 initiations of countervailing investigations and measures applied

(Number)

G20 economy	July-Dec 2019		Jan-June 2020		July-Dec 2020		Jan-June 2021	
	Initiations	Measures	Initiations	Measures	Initiations	Measures	Initiations	Measures
Australia	0	0	6	0	1	0	1	0
Brazil	0	0	0	0	0	0	2	0
Canada	3	0	1	0	3	1	0	1
China	1	0	0	1	4	1	0	1
European Union ^a	2	1	1	3	2	0	2	0
India	9	4	2	4	5	0	0	1
United States	6	7	17	8	13	5	6	20
Total	21	12	27	16	28	7	11	23

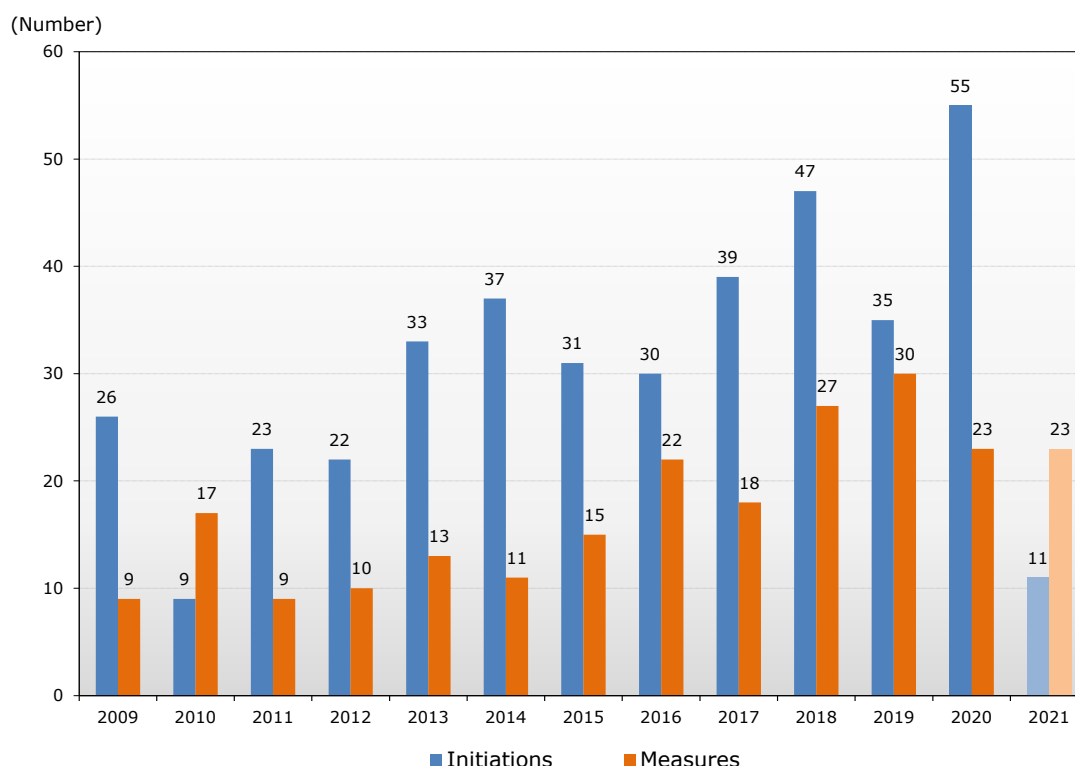
a The European Union is counted as one (28 member States until 31 January 2020).

Source: WTO Secretariat.

3.35. Various sectors were targeted by countervailing investigations, with metal products accounting for 43 of the 77 initiations by G20 members over the 24 months examined. Thirty-two of these investigations concerned steel products. Over the 24 months examined, the chemical and wood sectors accounted for the second- and third-largest numbers of investigations, with seven initiations each.

3.36. Since the first Trade Monitoring Report in 2009, the number of countervailing investigations has fluctuated with an increasing trend, and reached its peak in 2020 (Chart 3.10).

Chart 3.10 G20 countervailing investigations and measures applied, 2009-21



Note: Data for 2021 cover January to June.

Source: WTO Secretariat.

3.37. As of 20 October 2020, no G20 member had notified to the WTO any countervailing duty action referring to the COVID-19 pandemic.

Anti-Dumping and Countervailing Measures by trading partner

3.38. Between January 2008 and June 2021, G20 initiations of anti-dumping and countervailing measures combined involving products from other G20 economies accounted for approximately 70% of total initiations. Initiations on products from other G20 members accounted for between 53% and 100% of each individual G20 member's total initiations. China remained the most frequently targeted exporter by initiations reported during this period, accounting for 28% of all initiations. The second most targeted exporter during this period, the Republic of Korea, accounted for 6% of total initiations.

Safeguard Measures

3.39. Safeguard measures are temporary measures imposed 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 or customs territories).²¹ Thus, safeguards are subject to different rules and timelines than

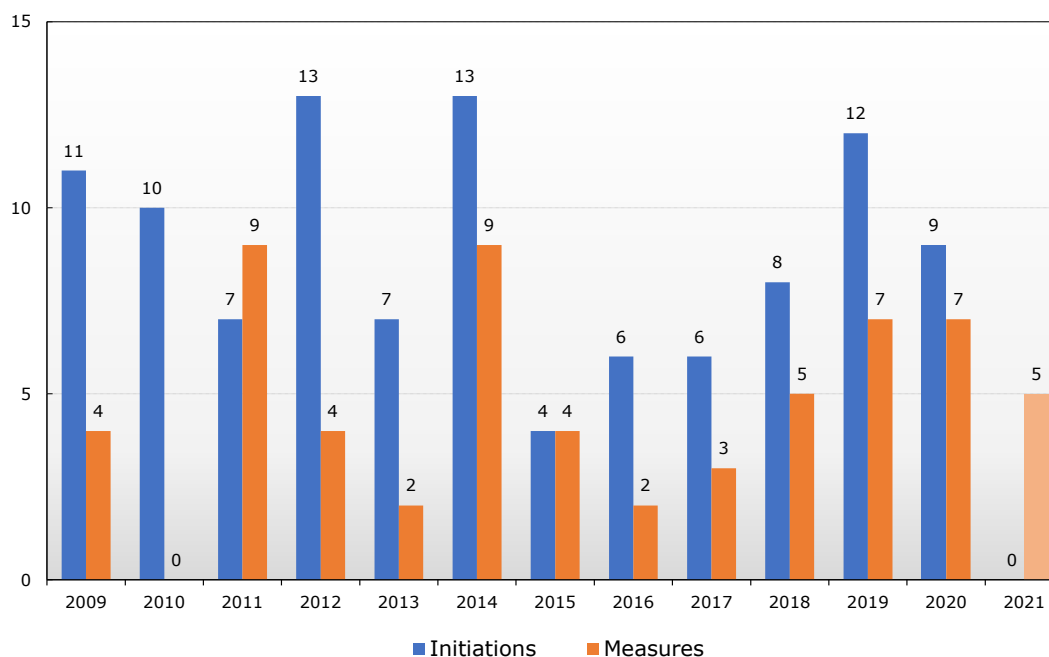
²¹ With the exception of exporting Members covered by the special and differential treatment provided for developing countries in Article 9.1 of the Agreement on Safeguards.

anti-dumping and countervailing measures, and therefore are not directly comparable to those measures.

3.40. Chart 3.11 shows the number of initiations of safeguard investigations and applications of measures by the G20 economies, on a calendar-year basis. In the first half of 2021, zero initiations and five applications of measures were recorded.²² If this trend continues, the number of measures applied in 2021 could result in the highest figure recorded since 2009. An increasing trend of safeguard measures applied has been observed since 2016.

Chart 3.11 G20 initiations of safeguard investigations and measures applied, 2009-21

(Number)



Note: Data for 2021 cover January to June. Some notifications are ambiguous about timing. For those notifications, Members sometimes subsequently file an additional notification clarifying, *ex post*, the effective date of the measure. For this reason, the number of applications of measures indicated in past reports can differ from the figures indicated in the most recent Report.

Source: WTO Secretariat.

3.41. Table 3.11 shows the breakdown on a six-month basis of G20 initiations of safeguard investigations and applied measures. The table confirms the high level of recent application of safeguard measures.

3.42. In terms of products, textiles and chemicals were targeted by safeguard initiations in the first period and metals and textiles in the second period. In the July-December 2020 period, there was no specific sector where initiations were concentrated, unlike in past periods.

3.43. As of 8 October 2021, no G20 member had notified any safeguard action referring to the COVID-19 pandemic.

²² An investigation initiated in a specific year can result in application of a measure in the subsequent year; thus, the number of initiations can be smaller than that of applications in a given year.

Table 3.11 G20 initiations of safeguard investigations and measures applied

(Number)

G20 economy	July-Dec 2019		Jan-June 2020		July-Dec 2020		Jan-June 2021	
	Initiations	Measures	Initiations	Measures	Initiations	Measures	Initiations	Measures
India	3	0	0	0	0	0	0	0
Indonesia	4	1	1	4	3	1	0	4
Russian Federation ^a	0	1	0	0	0	0	0	0
Saudi Arabia, Kingdom of ^b	1	0	0	0	0	0	0	1
South Africa ^c	0	0	2	1	0	0	0	0
Turkey	0	1	2	0	0	1	0	0
United States	0	0	0	0	1	0	0	0
Total	8	3	5	5	4	2	0	5

- a Notified by the Russian Federation, but investigations are initiated by the EAEU on behalf of all of its members, i.e. Armenia, Kyrgyz Republic, Kazakhstan, and Belarus (non-WTO Member) collectively.
- b Notified by all GCC member States collectively as investigations are initiated by the GCC regional investigating authority on behalf of all GCC member States.
- c Notified by South Africa, but investigations are initiated at the level of SACU, i.e. also in respect of Botswana, Eswatini, Lesotho and Namibia.

Source: WTO Secretariat.

3.3 Sanitary and Phytosanitary (SPS) Measures²³

3.44. This report covers SPS transparency-related matters, including specific trade concerns (STCs) discussed in SPS Committee meetings, from 1 April to 30 September 2021. New SPS measures taken specifically in response to the COVID-19 pandemic are reported separately.

SPS activities/developments (1 April-30 September 2021)

SPS notifications

3.45. Under the SPS Agreement, WTO Members are obliged to provide an advance notification of intention to introduce new or modified SPS measures²⁴, 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. An increase in the number of notifications does not necessarily imply greater protectionism but may reflect enhanced transparency and/or a greater number of legitimate health-protection measures.

3.46. G20 economies rank among the main notifiers of SPS measures, accounting for 66% of total regular notifications (including addenda), and 34% of emergency notifications, submitted to the WTO from 1 January 1995 to 30 September 2021. During the review period, from 1 April to 30 September 2021, Brazil, Japan, the European Union, Canada and the United States submitted the most notifications to the WTO, accounting for 64% of all the notifications submitted by G20 economies in that period.

3.47. Many G20 economies are following the recommendation to notify SPS measures even when these are based on a relevant international standard, thereby substantially increasing the transparency regarding these measures. Of the 284 regular notifications (excluding addenda) submitted by G20 economies during the review period, 37% indicated that an international standard, guideline or recommendation was relevant to the notified measure, i.e. 69% referred to Codex, 27% to the IPPC and the remaining to the OIE. Of these, 64% indicated that the measure was in conformity with, or substantially the same as, the existing international standard, guideline or

²³ Information presented in this Section was retrieved from the SPS Information Management System (SPS IMS: <http://spsims.wto.org>). For more information, see also annual reports in document series [G/SPS/GEN/804/Rev.#](#) and [G/SPS/GEN/204/Rev.#](#).

²⁴ Transparency obligations are contained in Article 7 and Annex B of the SPS Agreement. Annex B requires that Members notify measures whose content is not substantially the same as that of an international standard, guideline or recommendation, and when the measure may have a significant effect on trade. However, the Recommended Procedures for Implementing the Transparency Provisions of the SPS Agreement, last updated in 2018 (WTO document G/SPS/7/Rev.4, 4 June 2018), recommend that Members also notify measures that are based on the relevant international standards, and that they apply a broad interpretation of effects on trade.

recommendation. In this context, Codex was the relevant international standard-setting body identified in all but one of the remaining 36% of notifications, which indicated that the measure was not in conformity with the existing international standard. Regarding emergency notifications for the review period, 100% of the emergency measures notified by G20 members indicated conformity with a relevant international standard, guideline or recommendation – an OIE animal health standard in many cases.

3.48. The objective most frequently identified in the SPS measures notified by G20 economies during the review period was food safety, accounting for 79% of all notifications.²⁵ Food safety is a particularly important objective in the G20 economies' notifications, as most notified measures are related to maximum residue limits (MRLs), food additives or pesticides, and in many notifications several of these keywords were identified.

Specific Trade Concerns (STCs)

3.49. Measures maintained by G20 economies are often discussed in the SPS Committee. The STCs raised in the SPS Committee on measures maintained by G20 economies account for 75% of all STCs raised since 1995. Moreover, the top 10 WTO Members most frequently responding to an STC are all G20 economies.

3.50. Of the 47 STCs raised or discussed in the July 2021 SPS Committee meeting²⁶, 44 involved a G20 economy. Of these, 9 were raised for the first time (Table 3.12), and 35 previously raised STCs were discussed again. Out of the 44 STCs raised in the review period involving G20 economies, 37 related to measures maintained by G20 members. Seven of these were raised for the first time, and the remaining previously raised STCs were discussed again. Among the latter, six addressed persistent problems and were discussed 10 times or more.²⁷

Table 3.12 New STCs on G20 measures raised in the July 2021 SPS Committee meeting

ID	Title
517	EU regulation on alpha-cypermethrin – Concerns by Paraguay (supported by Brazil, Colombia, Ecuador, India, Kenya and the Russian Federation)
518	EU's classification of anthraquinone as a pesticide and the MRL for imported tea – Concerns by India
519	EU regulatory approach to maximum levels for contaminants – Concerns by Canada
520	European Commission Regulation on plastic materials and articles intended to come into contact with food – Concerns by China
522	South Africa's import restrictions on bovine meat, pet food and other by-products of animal origin – Concerns by Brazil
524	Concerns with transparency, delays and due process associated with China's import requirements for agricultural goods – Concerns by Australia (supported by the Russian Federation)
525	Russian Federation's classification of tea as "fruits and vegetables" – Concerns by India

Source: WTO Secretariat.

3.51. Of the 37 STCs on measures maintained by G20 economies discussed during the review period, 15 related to measures implemented by G20 economies on food safety, 10 on animal health, 3 on plant health and 9 related to other types of concerns. Discussions in the SPS Committee meetings continue to be multifaceted and dynamic.

COVID-19-related SPS measures (1 February 2020-30 September 2021)

3.52. The three standard-setting bodies recognized by the SPS Agreement (Codex, OIE and IPPC), as well as the World Health Organization (WHO), are monitoring the COVID-19 situation, and, so far, they have not recommended any trade restrictions. In the absence of relevant international standards, SPS measures must be based on a risk assessment. However, it may take some time before sufficient scientific evidence becomes available. Under the SPS Agreement, Members have

²⁵ The objective of an SPS measure falls under one or more of the following categories: (i) food safety; (ii) animal health; (iii) plant protection; (iv) protection of humans from animal/plant 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.

²⁶ WTO document G/SPS/R/102, 17 September 2021. STCs discussed in July 2021 are available in the WTO SPS Information Management System.

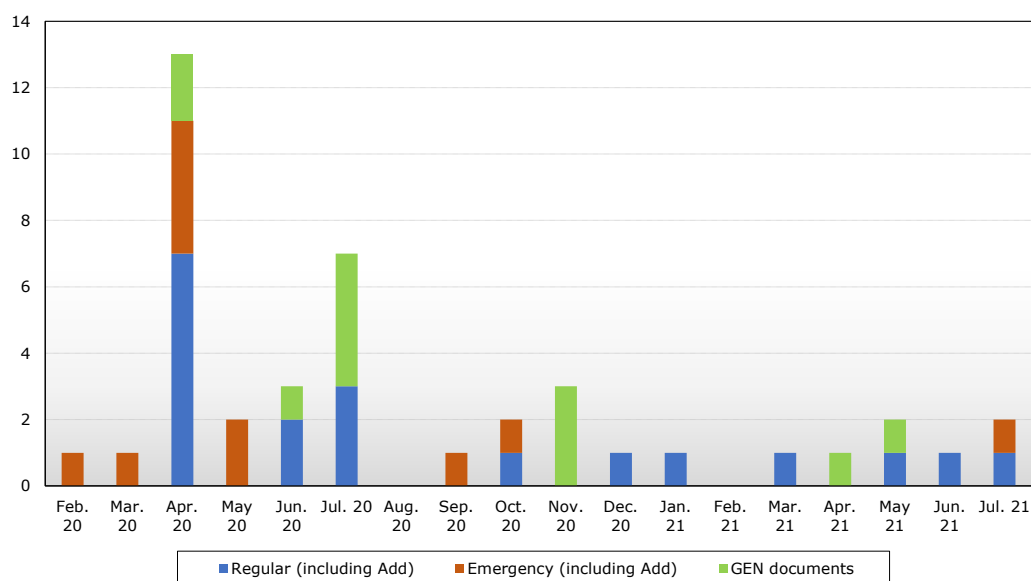
²⁷ These STCs are 193, 382, 390, 406, 392 and 393.

the right to adopt provisional measures based on the available information. As more scientific evidence emerges and a risk assessment can be carried out, the measures imposed must be reviewed within a reasonable period of time.

3.53. From 1 February 2020 to 30 September 2021, 30 WTO Members submitted 109 notifications and communications related to measures taken in the wake of the COVID-19 pandemic. Additionally, 40 WTO Members, including G20 economies, submitted one communication (GEN document) requesting for the suspension of the processes and entry into force of reductions of MRLs for plant protection products in light of the COVID-19 pandemic. Of the 109 notifications and communications, 42 (excluding corrigenda) were submitted by 15 G20 economies. Eleven measures were notified as regular notifications; additionally, eight addenda to regular measures were notified, mainly extending the implementation or the comment period of previously notified measures. Nine measures²⁸ were notified as emergency measures, and three measures were submitted through a GEN document.²⁹ The last document submitted by a G20 economy during the reporting period was received on 16 July 2021.

3.54. Initially, these measures mainly related to restrictions on animal imports and/or transit from affected areas (some of these have already been terminated) and increased certification requirements. Since the beginning of April 2020, most notifications and communications submitted have related 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. Documents submitted by G20 economies are displayed by month in Chart 3.12.

Chart 3.12 SPS notifications (regular, emergency and addenda) and GEN documents related to COVID-19 submitted by G20 economies by month, February 2020-July 2021



Source: WTO Secretariat.

Box 3.1 Enhancing monitoring and transparency in SPS and TBT

Accessing relevant information on SPS or TBT product requirements in export markets can represent a significant challenge, in particular for SMEs. WTO Members are required to notify SPS and TBT measures, still in draft form, that may have a significant effect on trade and that are not in accordance with existing international standards. Each year, the WTO receives around 5,000 SPS and TBT notifications.

The WTO facilitates the fulfilment of the transparency provisions contained in the SPS and TBT Agreements and provides easy access to information. Timely access to notifications is crucial, given the 60-day period that

²⁸ Two subsequent addenda were notified to withdraw the restrictions imposed in some of the emergency measures.

²⁹ The remaining communications submitted refer to COVID-19 documents relevant to the Committee meetings.

should normally be provided for submitting comments on the proposed regulations. The following publicly available online tools assist stakeholders in finding notifications of relevance to their trade and thus contributing to avoid and address potential trade barriers:

- SPS Information Management System (SPS IMS): www.spsims.wto.org;
- TBT Information Management System (TBT IMS): www.tbtime.wto.org; and
- ePing alert system: <http://www.epingalert.org>.

The SPS/TBT IMSs are search platforms that, among other things, help identify SPS or TBT notifications (or any trade concerns raised by Members) using parameters such as product, notifying Member and objective. ePing is an online alert system allowing users (governments, economic operators and civil society) to receive daily or weekly email alerts about SPS and TBT notifications covering products and markets of interest to them. ePing also facilitates dialogue among the public and private sectors to discuss and share information on notifications of concern, allowing stakeholders to address potential trade problems at an early stage of the regulatory lifecycle.

Source: WTO Secretariat.

3.55. The following box has been contributed by the OECD.

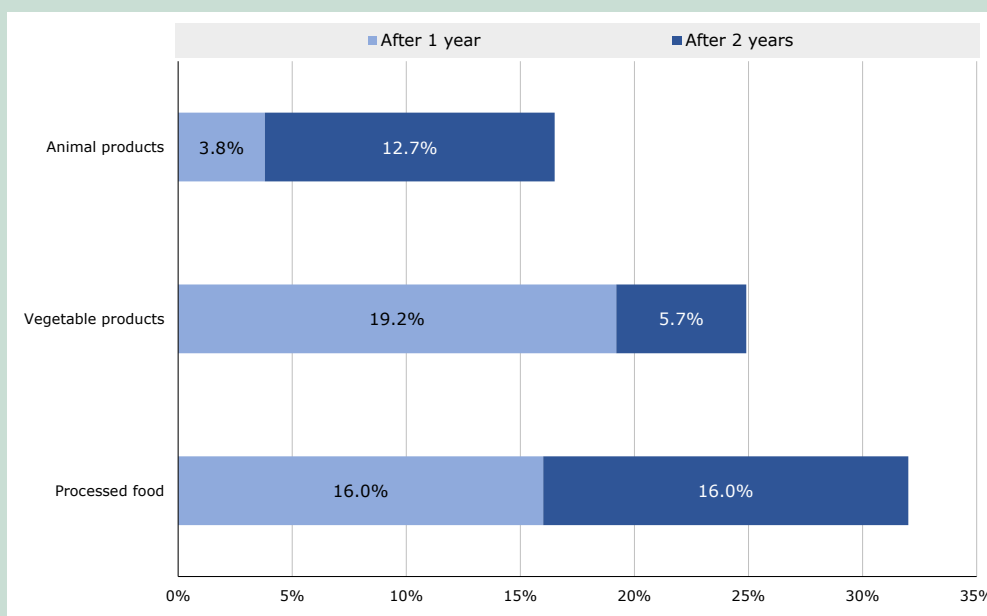
Box 3.2 Digital opportunities for SPS systems

Countries are increasingly using digital technologies in their SPS systems and the disruptions caused by the COVID-19 pandemic are accelerating this evolution. At the outset of the COVID-19 pandemic, countries committed not only to continue trading, but also to make trade easier by, for example, accepting electronic sanitary and phytosanitary (SPS) certificates.

Reports from the ePhyto Hub, the International Plant Protection Convention (IPPC) system for the centralised exchange of phytosanitary electronic certificates, demonstrate a significant increase in countries' exchange of e-certificates for plant products following the COVID-19 outbreak. The total number of electronic phyto certificates exchanged increased more than tenfold from approximately 8,000 in December 2019 to almost 85,000 in July 2021.

Work by the OECD³ on the potential for digital technologies to create efficiencies in SPS systems and enhance agro-food trade shows that digital technologies such as SPS electronic certificates have positive effects on trade volumes, although these effects do not materialise immediately, as implementation takes time and resources. The total value of export for animal products, vegetable products and processed food is estimated to increase by 16%, 25% and 32%, respectively, two years after the creation of e-certificates (Figure 3.1).

Figure 3.1 Implementing SPS e-certificates increases trade
Increase in export volumes from implementing SPS e-certificates (%)



Source: OECD (2021).

Given the potential impacts on trade volumes, there are benefits to countries working to identify their automation needs within SPS systems and considering the appropriate expansion of their use of digital

technologies to create greater efficiencies, facilitate trade, and assist with the healthy and safe supply of food products.

Implementation is, however, not straightforward and a number of elements need to be considered for the successful expansion of digital technologies within SPS systems. These include careful planning and analysis of needs and priorities, along with investments in training staff and building capacity in the use of these technologies and access to dependable long-term sources of funding to make the system sustainable. In addition to these investments, a clear and enabling regulatory environment is important, including in providing assurances regarding data storage, transmission, and use.

Systems also need to operate across borders, requiring efforts to promote the interoperability and equivalence of SPS systems using digital technologies. Continued participation in multilateral forums to consider and resolve technical issues relating to the use of these technologies and share best-practice guidance in the use of these technologies (including case studies) will be important in developing expertise in the implementation, monitoring, and oversight of these technologies.

The expanded use of these digital technologies, while bringing benefits, can pose challenges for developing and least-developed countries, and all countries need to be mindful of the digital divide in capacity and capability to adopt these technologies and be ready to provide the support and assistance these countries may require.

- a OECD (2021), "Digital opportunities for Sanitary and Phytosanitary (SPS) Systems and the trade facilitation effects of SPS Electronic Certification", OECD Food, Agriculture and Fisheries Papers, No. 152, OECD Publishing, Paris, <https://doi.org/10.1787/cbb7d0f6-en>.

Source: OECD (2021).

3.4 Technical Barriers to Trade (TBT)

Notifications submitted to the TBT Committee

3.56. The G20 economies remain the most frequent users of the TBT Committee's transparency mechanisms, having submitted just under half (45%) of all TBT notifications since 1995.³⁰

3.57. Under the TBT Agreement, WTO Members are required to notify their intention to introduce new or modified TBT measures, or to notify adopted emergency measures immediately. The principal objective of complying with the TBT notification obligations is to inform other Members about new or changed regulations that may significantly affect trade.

3.58. During the review period, G20 economies submitted 336 of 931 new regular notifications of TBT measures³¹ (about 36%). The top notifying G20 economies – covering around 80% of all G20 notifications – were Brazil (93), United States (52), European Union (41), Republic of Korea (36), China (21) and the Kingdom of Saudi Arabia (21). Of these 336 new regular notifications, the majority indicated as their main objective³² the protection of human health or safety, followed by protection of the environment, quality requirements, consumer information, labelling, prevention of deceptive practices and consumer protection, harmonization and protection of animal or plant life or health.

3.59. G20 economies sent 291 of 507 (around 60%) "follow-up notifications" (i.e. "addenda", "corrigenda" or "supplements") submitted during the review period. The continuing and frequent use of this type of notification is a positive development as it increases transparency and predictability across the measures' regulatory lifecycle.

³⁰ Since 1995, over 31,741 new (regular) notifications of TBT measures have been submitted by WTO Members, 13,238 (42%) of which were by G20 economies. Overall, 43,223 new (regular) and follow-up (revisions, addenda, etc.) notifications of TBT measures have been submitted, 19,520 (45%) of which were notified by G20 economies.

³¹ WTO, TBT Information Management System. Viewed at: <http://tbtims.wto.org>.

³² A TBT measure may pursue a variety of legitimate objectives, although, historically, the majority falls under one of the following categories: the protection of human, animal or plant life or health, or the environment. Members are required to identify the purpose of the measure in their notifications. It is not uncommon that more than one objective is identified for a measure.

COVID-19-related TBT notifications³³

3.60. WTO Members submitted 20 TBT notifications/communications on standards and regulations in response to the pandemic during the review period.³⁴ The notified measures deal with a variety of issues, e.g. extraordinary and temporary procedures put in place to handle the public health emergency, and the implementation of remote conformity assessment procedures when on-site inspections are not possible.

3.61. As at 1 October 2021, G20 economies had submitted 60% (12 out of 20) of all COVID-19-related TBT notifications by WTO Members. These included notifications from Brazil (9), United Kingdom (2) and Republic of Korea (1).

3.62. TBT notifications in relation to the COVID-19 pandemic cover a wide range of products, including medicines (7), medical supplies (3) and one each for personal protective equipment (PPE) and general products.³⁵

Measures discussed in the TBT Committee (STCs)³⁶

3.63. The TBT Committee is used as a forum for discussing trade issues related to specific TBT measures (technical regulations, standards or conformity assessment procedures) maintained by other Members. These "specific trade concerns" (STCs) normally relate to proposed draft measures notified to the TBT Committee or to the implementation of existing measures. Issues can range from simple requests for additional information and clarification to questions on the consistency of measures with TBT Agreement disciplines.

3.64. A total of 86 (19 new and 67 previously raised) STCs were discussed at the TBT Committee meeting in June 2021. As depicted in Table 3.13, more than half (12 of 19) of the new STCs discussed in the period concerned measures maintained by G20 economies.

3.65. The overall trend suggests an increasing use of the TBT Committee as a forum to raise and resolve trade concerns non-litigiously. In particular, in 2021, a record was reached with the largest number of STCs raised in a Committee, with 82 and 86 new and previously raised STCs during the TBT Committee meetings of February and June, respectively, surpassing the previous record of 77 STCs raised in a Committee meeting in October 2020. The next TBT Committee meeting will be held in October 2021.

3.66. During the June 2021 TBT Committee meeting, eight "persistent" STCs – i.e. those previously raised STCs raised more than 16 times in Committee meetings – were discussed (Table 3.14). All of these persistent STCs concerned measures by G20 economies.

Table 3.13 New STCs concerning G20 measures raised in the TBT Committee meeting of June 2021

New STCs - G20
European Union: Draft EU Batteries Regulation (implementation of the European Green Deal) (ID 685) <i>(raised by China; Russian Federation)</i>
Russian Federation: On Safety of Wheeled Vehicles (TR CU 018/2011) (ID 687) <i>(raised by Republic of Korea)</i>
European Union: Chemical strategy for sustainability (implementation of the European Green Deal) (ID 690) <i>(raised by Russian Federation)</i>
Republic of Korea: Amendment of particular requirements for appliances for heating liquids (KC 60335-2-15) (ID 691) <i>(raised by China)</i>
Canada: Concentration of Nicotine in Vaping Products Regulation (ID 692) <i>(raised by Japan)</i>
European Union: Withdrawal of the approval of the active substance alpha-cypermethrin (ID 694) <i>(raised by Brazil)</i>

³³ This Section covers notifications submitted by Members during the review period 15 May 2021 to 15 October 2021.

³⁴ TBT notifications are classified as COVID-19-related if they contain the terms "coronavirus", "COVID", "SARS-COV-2" or "nCoV". This includes not only regular notifications but also 14 follow-up notifications (in the form of revisions or addenda to previous regular notifications).

³⁵ The category of "General" includes notifications without a specific product scope.

³⁶ With respect to specific trade concerns (STCs), this Section takes account of the STCs raised in the TBT Committee meeting of 2-4 June 2021.

New STCs - G20
Argentina: Requirement of affidavit along with the product certification from a certified body for export of boards derived from wood (ID 696) <i>(raised by India)</i>
Kingdom of Saudi Arabia: Technical Regulation for Building Materials – Part 4: Bricks, Tiles, Ceramics, Sanitary Appliances, and related products (published in the official gazette on 22 March 2019) (ID 698) <i>(raised by European Union)</i>
European Union: The specific test procedures and technical requirements for the type-approval of motor vehicles with regard to the driver drowsiness and attention warning systems (ID 699) <i>(raised by China)</i>
European Union: Uniform procedures and technical specifications for the type-approval of motor vehicles with regard to their emergency lane keeping system (ELKS) (ID 700) <i>(raised by China)</i>
Kingdom of Saudi Arabia: Order on Standards for Import Products (ID 701) <i>(raised by India)</i>
European Union: Phosmet (ID 703) <i>(raised by Chile)</i>

Source: WTO Secretariat.

Table 3.14 Persistent STCs raised between 15 May 2021 and 15 October 2021

Persistent STCs
India: Pneumatic tyres and tubes for automotive vehicles (ID 133) - <i>raised 36 times since 2006</i>
China: Requirements for information security products, including, <i>inter alia</i> , the Office of State Commercial Cryptography Administration (OSCCA) 1999 Regulation on commercial encryption products and its ongoing revision and the Multi-Level Protection Scheme (MLPS) (ID 294) - <i>raised 31 times since 2011</i>
Russian Federation: Draft Technical Regulation on Alcohol Drinks Safety (published on 24 October 2011) (ID 332) - <i>raised 28 times since 2012</i>
European Union: Draft Implementing Regulations amending Regulation (EC) No. 607/2009 laying down detailed rules for the application of Council Regulation (EC) No. 479/2008 as regards protected designations of origin and geographical indications, traditional terms, labelling and presentation of certain wine sector products (ID 345) - <i>raised 26 times since 2012</i>
India: Electronics and Information Technology Goods (Requirements for Compulsory Registration) Order, 2012 (ID 367) - <i>raised 25 times since 2013</i>
European Union: Hazard-based approach to plant protection products and setting of import tolerances (ID 393) - <i>raised 24 times since 2013</i>
China: Regulations for the Supervision and Administration of Medical Devices (Order No. 650 of the State Council) (ID 428) - <i>raised 21 times since 2014</i>
China: Registration Fees for Drugs and Medical Device Products (ID 466) - <i>raised 18 times since 2015</i>

Source: WTO Secretariat.

TBT Committee discussions during the COVID-19 pandemic

3.67. Members continued using the eAgenda platform during the pandemic, with Members engaging through the platform before the TBT Committee on 2-4 June 2021.

3.68. In light of the mandate in Article 15.4, the TBT Committee will complete its Ninth Triennial Review of the Operation and Implementation of the TBT Agreement at its last meeting of 2021. The TBT Committee agreed in October 2020 on a roadmap for its work and WTO Members were invited, in line with this timeline, to submit proposals by 28 May 2021. In total, Members submitted 30 proposals, which were discussed at formal and informal meetings of the Committee. These proposals address a variety of issues covered by the work of the Committee, including good regulatory practice, regulatory cooperation between Members, standards, conformity assessment procedures, transparency, technical assistance and COVID-19. The TBT Committee will hold formal and informal meetings with a view to adopting the Ninth Triennial Review in November 2021. During 2021, the TBT Committee also continued its work on developing non-prescriptive practical guidelines regarding the choice and design of appropriate and proportionate conformity assessment procedures.

3.5 Trade Concerns Raised in Other Bodies³⁷

3.69. During the review period, a number of trade issues and concerns were raised by Members in formal meetings of various WTO bodies involving G20 economies. This Section provides a factual overview of such concerns raised between mid-May and mid-October 2021. The trade concerns covered in this Section have neither the status nor the procedural framework of the STCs raised in

³⁷ This Section does not include the SPS and TBT Committees (covered separately). Issues raised in this Section may subsequently have become the subject of a dispute.

the SPS and TBT Committees. Nevertheless, they provide an up-to-date insight into which trade issues are being discussed by Members across the WTO and, as such, add important transparency. This Section does not reproduce the full substantive description of the trade concerns outlined by WTO Members regarding measures implemented by G20 economies, but rather provides a reference to the formal meeting(s) where a particular issue featured. A full account and context of the concerns can be found in the formal meeting records of the respective WTO bodies. The list of concerns and issues mentioned in this Section is not exhaustive and is limited to measures implemented by G20 economies.³⁸

3.70. At the 27-28 July 2021 meeting of the *General Council* (GC)³⁹, a concern was raised on the Kingdom of Saudi Arabia's Restrictive Policies on Poultry Imports (raised by Brazil).

3.71. At the *Council for Trade in Goods* (CTG) meeting on 8 and 9 July 2021⁴⁰ nine new trade concerns were raised (Table 3.15).

Table 3.15 New trade concerns raised at the 8-9 July 2021 CTG meeting

Measures implemented by	Member(s) raising the concern
India – Caustic Soda Quality Control Order	Chinese Taipei
India – Import Policy on Tyres	Chinese Taipei, European Union, Indonesia
India - Indian Standards and Import Restriction in the Automotive Sector (Quality Control Orders): Wheel Rims, Safety Glass, Helmet	Indonesia
India - Plain Copier Paper Quality Order 2020	Indonesia
China – Cosmetics Supervision and Administration Regulations (CSAR)	Australia, Japan, United States
China – Subsidy Transparency and China's Publication and Inquiry Point Obligations under China's Protocol of Accession	Australia, Canada, European Union, Japan, United Kingdom, United States
European Union – the European Green Deal	Russian Federation
United Kingdom – Extension of Safeguard Measures on Certain Steel Products	Brazil, Switzerland
European Union – Extension of Safeguard Measures on Certain Steel Products	Brazil

Source: WTO Secretariat.

3.72. At the same meeting, 25 previously raised concerns were revisited by the Council (Table 3.16).

Table 3.16 Previously raised concerns repeated at the 8-9 July 2021 CTG meeting

Measures implemented by	Member(s) raising the concern
Australia – Discriminatory Market Access Prohibition on 5G Equipment	China
China – Export Control Law	European Union, Japan
China – Implementation of Trade Disruptive and Restrictive Measures	Australia
China – Measures Restricting the Import of Scrap Materials	United States
European Union – Carbon Border Adjustment Mechanism (the European Green Deal of December 2019)	Armenia, Kingdom of Bahrain, China, Kazakhstan, Kyrgyz Republic, Qatar, Russian Federation, Kingdom of Saudi Arabia
European Union – Implementation of Non-Tariff Barriers on Agricultural Products	Argentina, Australia, Brazil, Canada, Colombia, Costa Rica, Dominican Republic, Ecuador, Honduras, Jamaica, Panama, Paraguay, Peru, United States, Uruguay
European Union – Proposed Modification of TRQ Commitments: Systemic Concerns	Brazil, China, Uruguay
European Union – Draft Implementing Regulations regarding Protected Designations of Origin and	United States

³⁸ G20 economies are encouraged to communicate to the Trade Monitoring Section of the WTO trade issues which they have raised in WTO bodies and which they believe are relevant to the monitoring exercise.

³⁹ WTO document WT/GC/M/192, 4 October 2021. The matter has been also raised in the Committee on Agriculture and the SPS Committee.

⁴⁰ WTO document G/C/M/140, 21 October 2021.

Measures implemented by	Member(s) raising the concern
Geographical Indications, Traditional Terms, Labelling and Presentation of Certain Wine Sector Products	
European Union – Quality Schemes for Agricultural Products and Foodstuffs – the Registration of Certain Terms of Cheese as Geographical Indications	Argentina, Uruguay
European Union – Regulation (EU) No. 2017/2321 and Regulation (EU) No. 2018/825	China, Russian Federation
European Union – Regulation EC No. 1272/2008 (CLP Regulation)	Russian Federation
European Union – Sweden's Discriminatory Market Access Prohibition on 5G Equipment	China
India – Import Restrictions on Air Conditioners	Japan
India – Mandatory Certification for Steel Products	Japan
India – Restrictions on Imports of Certain Pulses	Australia, Canada, European Union, Russian Federation, United States
Indonesia – Import and Export Restricting Policies and Practices	European Union, Japan, New Zealand, United States
Kingdom of Saudi Arabia, Kingdom of Bahrain, the United Arab Emirates, the State of Kuwait, Oman, and Qatar – Selective Tax on Certain Imported Products	European Union, Japan, Switzerland, United States
Mexico – Conformity Assessment Procedure for Cheese under Mexican Official Standard NOM-223-SCFI/SAGARPA-2018	United States
Russian Federation – Trade Restricting Practices	European Union, United States
United Kingdom – Draft Goods Schedule and Proposed UK TRQ Commitments: Systemic Concerns	Brazil, China, Russian Federation, Uruguay
United States – Export Control Measures for ICT Products	China
United States – Import Restrictions on Apples and Pears	European Union
United States – Measures regarding Market Access Prohibition for ICT Products	China

Source: WTO Secretariat.

3.73. At the 11 October 2021 meeting of the of the *Committee on Market Access (CMA)*⁴¹, several trade concerns were raised, of which five were new (Table 3.17).

Table 3.17 Trade concerns raised at the Committee on Market Access

Measures (implemented by)	Member(s) raising/interested in the concern
Canada – Restrictions on the Commercial Importation of Cannabis and Cannabis Products for Medical Use (<i>new</i>)	Colombia
China – Trade Disruptive and Restrictive Measures	Australia, Canada, European Union, Japan, New Zealand, United Kingdom, United States
European Union - Carbon Border Adjustment Mechanism (CBAM)	Australia, Kingdom of Bahrain, Brazil, Canada, China, Egypt, India, Japan, Republic of Korea, New Zealand, Paraguay, Russian Federation, Kingdom of Saudi Arabia, and Chinese Taipei
Kingdom of Saudi Arabia, Kingdom of Bahrain, United Arab Emirates, State of Kuwait, Oman, and Qatar - Selective Tax on Certain Imported Products	European Union, Japan Switzerland, United States
India - Indian Standards and Import Restrictions in the Automotive Sector (Quality Orders): Wheel Rims, Safety Class, Helmets (<i>new</i>)	Indonesia
India - Plain Copier Paper Quality Order 2020 (<i>new</i>)	Indonesia
India – Quantitative Restrictions on Imports of Certain Pulses	Australia, Canada, European Union, Russian Federation, Ukraine, United States
India – Import Policies on Tyres	European Union, Republic of Korea, Indonesia, Chinese Taipei, United States
India – Import Restriction on Air Conditioners	Japan
India – Import Policies on Tyres, Television Sets, And Air Conditioners	Thailand

⁴¹ WTO document G/MA/M/75 (to be issued).

Measures (implemented by)	Member(s) raising/interested in the concern
Indonesia - Import Substitution Programme (new)	European Union, United States
Indonesia – Customs Duties on Certain Telecommunication Products	Canada, European Union, Japan, United States
Mexico – Import Quota on Glyphosate	Canada, United States
Russian Federation – Export Prohibition on Timber Products	European Union, United States
Russian Federation – Discriminatory Application of Value Added Taxes (new)	United States
Russian Federation – Track and Trace Regime	European Union, United States
United Kingdom - Renegotiation of Tariff Rate Quotas under Article XXVIII of the GATT 1994	India, Mexico, New Zealand, Russian Federation

Source: WTO Secretariat.

3.74. At the same meeting, Members also raised concerns in the context of the review of notifications under the 2012 Decision on notification procedures for quantitative restrictions.⁴²

3.75. At the 8 October 2021 meeting of the *Committee on Import Licensing* (CIL)⁴³, new and persistent trade concerns were raised (Table 3.18).

Table 3.18 Trade concerns raised at the Committee on Import Licensing

Measures implemented by	Member(s) raising the concern
China - Changes to Import Licensing for Certain Recoverable Materials	United States
India - Import Licensing Requirements for Boric Acid	United States
India - Quantitative Restrictions on Certain Pulses	Canada
India - Importation of Pneumatic Tyres	European Union, Indonesia
Indonesia - Import Restrictions: Compulsory Registration by Importers of Steel Products	Japan
Indonesia - Import Licensing Regime for Certain Textile Products	European Union, Japan

Source: WTO Secretariat.

3.76. At the 17 September 2021⁴⁴ meeting of the *Committee of Participants on the Expansion of Trade in Information Technology Products* (ITA Committee) an implementation issue was raised concerning Indonesia, calling for aligning the tariff treatment of certain ICT products classified under subheading 8517.62 with Indonesia's WTO commitments (raised by United States, European Union, and Japan).

3.77. At the 17-18 June, and 23-24 September 2021 meetings of the *Committee on Agriculture* (CoA)⁴⁵, several questions and concerns were raised with respect to G20 members' individual notifications and on Specific Implementation Matters (SIMs) under Article 18.6. During the period concerned, 224 questions were discussed concerning policies by G20 members, including on individual notifications (142 questions), Article 18.6 matters (77 questions covering 44 SIMs) and on overdue notifications (5 questions). Additional details regarding these questions and concerns can be found in Section 3.6 of this Report.

3.78. At the meeting of the *Working Party on State Trade Enterprises* (STEs) of 5 October 2021⁴⁶, trade concerns were raised on: (i) the involvement of STEs in China's importation of key agricultural commodities and coal (raised by Australia); (ii) India's decision not to identify any STE for pulses in its 2019 notifications (raised by Australia) and (iii) the continued non-notification of STEs by the Russian Federation (raised by European Union, United Kingdom and United States).

⁴² WTO document G/L/59/Rev.1, 3 July 2012.

⁴³ WTO document G/LIC/M/53, forthcoming.

⁴⁴ WTO document G/IT/M/74, forthcoming.

⁴⁵ Questions raised under the review process at CoA meetings on 17-18 June and 23-24 September 2021 are available in WTO documents G/AG/W/212, 4 June 2021; and G/AG/W/213, 8 September 2021. The questions, responses and follow-up comments are available through the Q&A section of the Agriculture Information Management System (<http://aqims.wto.org/>).

⁴⁶ WTO document G/STR/M/39 forthcoming.

3.79. At the meeting of the *Council for Trade in Services (CTS)* held on 1 July 2021, concerns were reiterated about: (i) China's cybersecurity measures (raised by Japan and United States); (ii) Australia's 5G-related measures (raised by China); (iii) Russian Federation's measures requiring software pre-installation (raised by United States); (iv) United States' measures related to mobile applications (raised by China); (v) India's measures on prior approval for acquisitions of Indian companies and on the use of mobile applications (raised by China).⁴⁷ At that same meeting, concerns were raised about measures by the Kingdom of Saudi Arabia on localization of customer services (raised by United States).⁴⁸

3.80. The above Section provides evidence of the numerous trade concerns raised in various WTO bodies between mid-May and mid-October 2021. The overwhelming majority of the trade concerns raised in WTO committees and councils related to measures and policies implemented by G20 economies. During the review period Members continued to raise trade issues and concerns. Several new trade concerns were raised during the review period and several had already been raised in previous periods, indicating persistent and unresolved issues. Also, some trade concerns were raised in more than one WTO body, suggesting that these concerns involve cross-cutting and technically complex issues. It may also suggest that WTO Members are continuing to use multiple platforms within the WTO committee structure to address various aspects of such concerns. Systemically, this is significant because of the increased transparency which it brings, but also because it demonstrates that Members are actively using the WTO committees to engage trading partners on real or potential areas of trade friction. At the same time, however, the repetition and non-resolution of the same trade concerns and issues in various WTO bodies may also be a source of concern. The Secretariat will continue to closely monitor developments in this area.

3.6 Policy Developments in Agriculture

3.81. The Committee on Agriculture (CoA) provides a forum for Members to discuss matters related to agricultural trade, and to consult on matters related to Members' implementation of commitments under the Agreement on Agriculture (AoA). The review work of the CoA is based on notifications that Members make in relation to their commitments. A provision in Article 18.6 of the AoA allows Members to raise any matter relevant to the implementation of commitments under the Agreement (i.e. Specific Implementation Matters (SIMs)). The Committee has also been tasked with the monitoring of the implementation for specific outcomes under the agriculture negotiations.

3.82. During the period under review, the CoA held two regular meetings⁴⁹, on 17-18 June and 23-24 September 2021. Of the 287 questions raised during the review period, 78% (224 questions) related to policies implemented by G20 economies, including questions on SIMs under Article 18.6, individual notifications and overdue notifications. Most questions concerning G20 economies' individual notifications were related to domestic support notifications (over 74%), followed by questions on market access (20%). For matters under Article 18.6 (SIMs), around half related to domestic support policies, 20% concerned policies affecting market access, 18% targeted matters related to export prohibitions and restrictions on foodstuffs and the remaining 9% concerned the export competition pillar and other issues.

3.83. In total, 13 G20 economies (counting the European Union as one) received 77 questions on 44 SIMs under Article 18.6 in the 2 meetings covered by this Report.⁵⁰ The annual average number of questions raised under Article 18.6 concerning G20 economies' policies has been on the rise since 2011, reaching an all-time high average of 61 questions per meeting in 2020. These numbers include questions that were repeated over more than one meeting.

3.84. Of the 44 SIMs raised in relation to policies implemented by G20 economies during the review period, half were discussed for the first time. Of these, around 68% were in relation to domestic support programmes, 14% concerned policies prohibiting or restricting exports of foodstuffs, 9% related to market access issues and the remainder concerned other issues.

⁴⁷ WTO document S/C/M/146, 22 July 2021.

⁴⁸ WTO document S/C/M/146, 22 July 2021.

⁴⁹ The 98th and 99th CoA meetings, respectively.

⁵⁰ Argentina, Brazil, Canada, China, European Union, India, Indonesia, Japan, Russian Federation, South Africa, Turkey, United Kingdom and United States.

3.85. WTO Members sought clarifications on domestic support policies implemented by G20 economies targeting specific products, including rice (Japan's rice paddy renovation for new market development), cotton (India's cotton support), livestock (Germany's domestic support to the livestock sector) and wine (Canada's support to the wine sector), as well as domestic support policies with a wider sectoral scope applied by Argentina, China, the European Union, the United Kingdom and the United States. There were two new SIMs raised on market access – one on a measure that restricted, or had the potential to restrict, trade of poultry (South Africa's review of tariff structure for poultry meat imports), and one seeking information regarding China's administration of its wheat tariff rate quota (TRQ). Three SIMs related to policies restricting or prohibiting exports, including on beef (Argentina's export restrictions on beef), cereals (Turkey's export restrictions on pasta) and olive oil (Turkey's ban on olive oil exports). Other SIMs concerned France's requirement to indicate the origin of meat offered in cafeterias and foodservices and Austria's draft resolution to change the criteria for granting the "AMA seal".

3.86. Twenty-two SIMs, of 44 discussed during the review period, were follow-up matters regarding policies implemented by G20 members. Some of these matters have been raised multiple times in the CoA. For example, two SIMs (Canada's new milk ingredient class and India's pulses policies) have been raised in 18 and 15 CoA meetings, respectively, attracting 64 and 60 questions. Similarly, matters related to China's cotton policies, India's skim milk powder export subsidies, the Russian Federation's export quota, the European Union's environmental policies, Canada's review of the TRQ system and its compensation to farmers for the impact of trade concessions, and the United Kingdom's modification of its agricultural schedule of commitments have been raised on six or more occasions. Other agricultural policies of Brazil, India, Indonesia, the Russian Federation, the United Kingdom and the United States were also the subject of repeated concerns under Article 18.6.

3.87. All 44 SIMs concerning policies implemented by G20 members (new and repeated), including questions, answers and follow-up comments, can be accessed through the Agriculture Information Management System (AG IMS).⁵¹

3.88. Members continued to implement the December 2015 Nairobi Ministerial Decision on Export Competition. Of the 16 Members with positive export subsidy commitment levels in their schedules at the time of adoption of the Decision, 9 are G20 members. Six of them (Australia, Indonesia, Mexico, South Africa, Turkey and the United States) have had their revised export subsidy schedules certified, and two (Canada and the European Union) circulated their draft revised schedules, which are pending certification. At the September 2021 CoA meeting, Brazil reported that the draft export subsidy schedule would be circulated after the release of the Presidential Decree approving the Nairobi Decision.

3.89. The CoA continued its review of the implementation of Members' commitments under the AoA, primarily based on notifications submitted by Members. Twelve distinct notification requirements are applicable in the domain of agriculture, covering market access, domestic support, export subsidies, export prohibitions or restrictions, and the follow-up to the Marrakesh Net Food Importing Developing Countries (NFIDC) Decision. The applicability of a notification requirement to a Member is largely dependent on its specific commitments under the AoA. Of the 12 notification requirements, 5 are "regular" or "annual" notification requirements: (i) imports under tariff and other quotas (MA:2); (ii) special safeguards (MA:5); (iii) domestic support (DS:1); (iv) export subsidies (ES:1); and (v) total exports (ES:2).⁵²

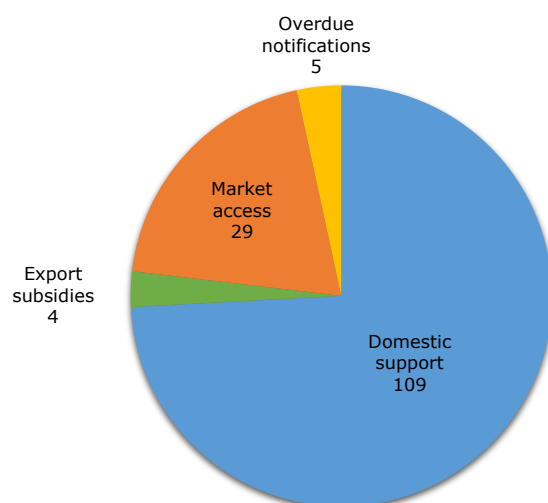
3.90. From 15 May to 15 October 2021, G20 members submitted 56 notifications (including addenda and corrigenda). A total of 142 questions were raised concerning notifications from G20 economies during the CoA meetings covered by this Report. These questions accounted for more than 74% of all notification-related questions raised in the CoA in that period. During the review period, most questions concerned notifications related to domestic support, followed by questions

⁵¹ On the "Review Process Q&A" tab, select the function "Search Q&A Submitted Since 1995" on the AG IMS (<http://agims.wto.org/>) and indicate in the search criteria the meeting numbers 98 and 99 and the concerned G20 economies.

⁵² Annual notifications are required to be submitted no later than a certain number of days following the end of the year in question, in accordance with the deadlines set out in the Committee's Notification Requirements and Formats in WTO document G/AG/2, 30 June 1995.

on market access (Chart 3.13). A total of five questions were asked to Canada, China, the European Union and the United States.

Chart 3.13 Number of questions raised per topic, mid-May to mid-October 2021



Source: WTO Secretariat.

Policy Developments in Agriculture related to the COVID-19 pandemic

3.91. The two CoA meetings covered by this Report included a dedicated agenda item on COVID-19 and agriculture. While Members also used the standard review process of the CoA to request clarification on each other's policies implemented in response to the pandemic, this standing agenda item provided an opportunity to engage in a broader discussion on the serious disruptions the pandemic has inflicted on food and agriculture systems globally. The agenda item also allowed Members to review of each other's *ad hoc* reports on measures taken in response to the pandemic. In this regard, one G20 economy (the European Union) submitted *ad hoc* reports to the CoA during the review period.⁵³ In addition, at Members' request, the Secretariat produced a compilation of Members' COVID-19 agricultural measures on their *ad hoc* reports submitted to the CoA.⁵⁴ Observer International Organizations also contributed to discussions under the agenda item on COVID-19 and agriculture. The Food and Agriculture Organization of the United Nations (FAO), the World Food Programme (WFP) and the International Grains Council (IGC) submitted reports outlining their work in relation to the pandemic.⁵⁵

3.92. Some of the measures put in place by Members in response to the pandemic included restriction or prohibition on exports of certain goods, including agricultural products. The AoA establishes disciplines for cases where Members institute export prohibitions or restrictions to prevent or relieve critical shortages of foodstuffs (Article 12). Transparency is at the heart of these disciplines. The AoA states that: (i) Members are to give due consideration to the effects of such prohibition or restriction on importing Members' food security; and (ii) before any Member institutes an export prohibition or restriction, it shall give notice in writing, as far in advance as practicable, to the CoA, comprising such information as the nature and the duration of such measure, and shall consult, upon request, with any other Member having a substantial interest as an importer with respect to any matter related to the measure in question. These written notices are referred to as ER:1 notifications. The AoA includes a special and differential treatment provision, whereby the above requirements do not apply to developing country Members unless the measure is taken by a developing country Member that is a net food exporter of the specific foodstuff concerned. No G20 member submitted an ER:1 notification in the period under review.

⁵³ WTO document G/AG/GEN/159/Add.5, 20 September 2021.

⁵⁴ WTO document G/AG/W/209/Rev.1, 8 September 2021.

⁵⁵ WTO document for FAO (G/AG/GEN/189, 11 June 2021); WFP (G/AG/GEN/188, 8 June 2021; and G/AG/GEN/190, 7 September 2021); and IGC (G/AG/GEN/191, 14 September 2021).

3.93. Governments, including of G20 members, also implemented support measures to the agriculture sector in the wake of the pandemic. These measures were discussed at the Committee, including based on relevant Members' *ad hoc* reports and notifications.⁵⁶

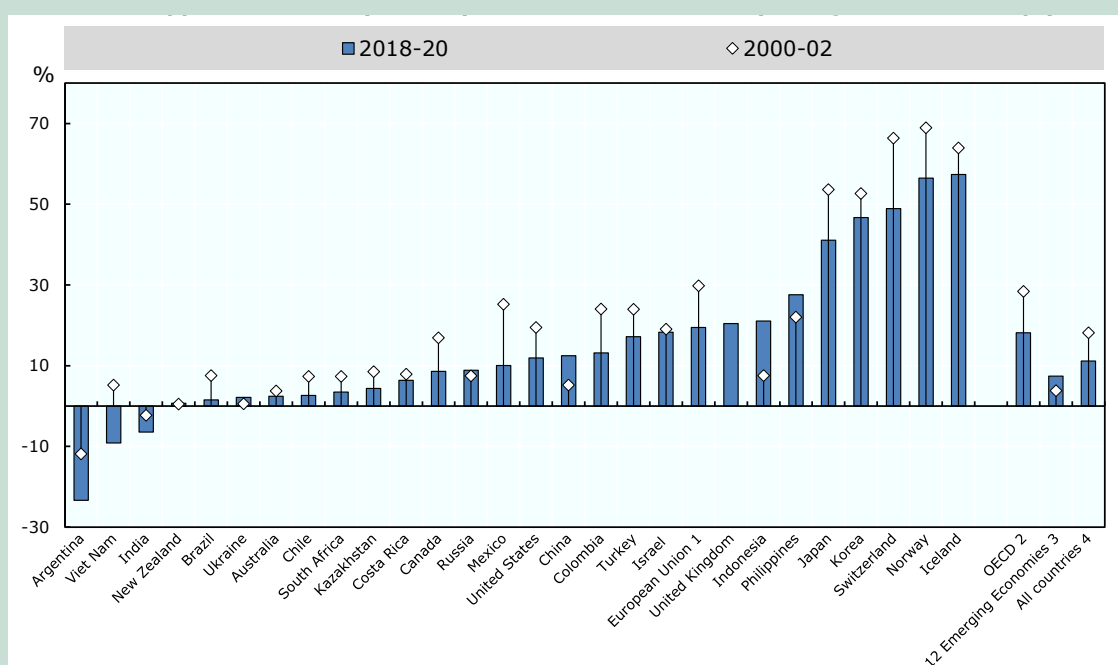
3.94. The following box on has been contributed by the OECD.

Box 3.3 Measuring and Assessing support to Agriculture

In 2018-20, agricultural support policies across the 54 countries covered in the OECD's annual [Agricultural Policy Monitoring and Evaluation](#) report generated USD 720 billion per year in transfers to agriculture.^a USD 272 billion of this comes in the form of market price support paid by consumers (e.g., through higher prices from tariffs), while the remaining USD 447 billion are budgetary support paid by taxpayers. Much of this support does little to help, or even harms, its stated aims of improving food security, incomes and livelihoods, and environmental sustainability.

Individual producers received USD 540 billion in support per year (about 75% of all positive transfers to agriculture) through various support measures, including higher prices paid by consumers (Figure 3.2).

Figure 3.2 Producer Support Estimate by country, 2000-02 and 2018-20 (% of gross farm receipts)



Notes: Countries are ranked according to the 2018-20 levels.
 1. EU15 for 2000-02, EU28 for 2018-19 and EU27 plus UK for 2020.
 2. The OECD total does not include the non-OECD EU Member States. Latvia and Lithuania are included only for 2018-20.
 3. The 12 Emerging Economies include Argentina, Brazil, China, Costa Rica, India, Indonesia, Kazakhstan, the Philippines, the Russian Federation, South Africa, Ukraine and Viet Nam.
 4. The All countries total includes all OECD countries, non-OECD EU Member States, and the Emerging Economies.

Source: OECD (2021), "Producer and Consumer Support Estimates", OECD Agriculture statistics (database), <http://dx.doi.org/10.1787/agr-pcse-data-en>.

The most distorting forms of support amount to USD 338 billion per year, and include market price support (USD 272 billion), and payments linked to output or the unconstrained use of inputs (USD 66 billion). These measures are both inequitable (as support linked to production is disproportionately allocated to larger farms) and inefficient in transferring income to farmers (as a large share of the benefits leak in the form of higher land values or input prices). Furthermore, they are among the most environmentally harmful support policies, as they provide incentives for the intensification of input use, the allocation of land to supported crops, and the entry of new land into the agricultural sector. Payments based on variable inputs without appropriate constraints can encourage the excessive use of fertilisers and pesticides, causing severe damage to freshwater ecosystems and biodiversity.

⁵⁶ WTO document G/AG/R/99, 13 July 2021; and G/AG/R/100 (forthcoming).

Instruments with more positive effects on food security, incomes and resource use mostly fall within the category of general services, and particularly include investments in R&D, biosecurity and infrastructure. Despite evidence of high returns, spending on agricultural knowledge and innovation systems was just USD 26 billion per year (6% of all budgetary support), while spending on biosecurity and for the development and maintenance of infrastructure for the sector amounted to USD 50 billion per year (11% of budgetary support).

To accelerate progress in addressing the challenges facing food systems, the OECD's report suggest that governments should:

- i. phase out price interventions and market distorting producer support;
 - ii. target income support to farm households most in need, and where possible incorporate such support into economy-wide social policies and safety-nets; and
 - iii. re-orient public expenditures towards investments in public goods – in particular innovation systems.
- a OECD estimates agricultural support as "gross transfers to agriculture from consumers or taxpayers, arising from governments' policies that support agriculture" ([PSE Manual](#), p. 16). As such, the indicators provided here are indications of policy effort that differ from support estimates calculated by other institutions, including the WTO, which aim at different objectives and follow different methodologies (Diakosavvas, 2002; Effland, 2011; Brink, 2018). For 'domestic support' information based on the WTO framework, the relevant Members' Table DS:1 notifications accessible on AGIMS may be consulted.

References:

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Source: OECD.

3.7 General Economic Support

3.95. At the 29 July 2021 informal TPRB meeting dedicated to discussing the Director-General's mid-year Trade Monitoring Report on Trade-related Developments⁵⁷, WTO Members engaged in a comprehensive and constructive exchange of views. In the context of trade responses to the COVID-19 pandemic, several delegations expressed that this transparency platform offered an opportunity to understand the nature of policies and programmes implemented, their duration, and the envisaged timetables for a phase-out. Introducing her Report to the meeting, the Director-General emphasized that the Report did not question the explicit right of Members to adopt certain trade measures and had no legal effects on the rights and obligations of WTO Members.

3.96. Since July 2017, the Secretariat has been unable to justify the inclusion of a separate annex on general economic support measures in the Trade Monitoring Reports. This has been partly due to the low participation and response rate of WTO Members to the request for information, and partly because such an annex would be biased against those Members that traditionally share and publish detailed information on such measures. Compounding the lack of information volunteered by Members, some delegations have often insisted on excluding general economic support measures identified by the Secretariat from public sources and for which verification was sought. The past few TPRB meetings generated an exchange of views on how to address this issue, with several Members emphasizing the need to preserve and strengthen transparency through the trade monitoring exercise while one Member had other views. Several Members referred to the online COVID-19 support measures list⁵⁸ compiled by the WTO Secretariat, which was put in place in the early stages of the pandemic. The list provides an informal situation report and is an attempt to enhance transparency around support measures taken in response to the COVID-19 crisis. It includes only information and measures communicated by delegations directly to the WTO Trade Monitoring Section and only in the original language of the submission.

⁵⁷ WTO document WT/TPR/OV/W/15, 13 July 2021.

⁵⁸ WTO, *COVID-19: Support Measures*. Viewed at: https://www.wto.org/english/tratop_e/covid19_e/trade_related_support_measures_e.htm.

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

3.97. In response to Director-General's 1 September 2021 request for information for this Trade Monitoring Report, the European Union and Indonesia communicated to the Secretariat 16 general economic support measures unrelated to the pandemic. The Secretariat's own research suggests that during the review period many more support measures with potentially important ramifications for trade were implemented.

3.98. During the review period, regular support measures communicated by WTO Members and those identified by the Secretariat, included measures to support farmers and the agricultural sector, as well as support to the manufacturing, pharmaceuticals, and automotive sectors. Other measures included loans, financial and tax incentives to support activities of MSMEs and businesses, investments to promote the use or development of digital technologies, as well as more general stimulus packages. Some measures included incentives relating to environmental sustainability targets and renewable energy projects. Several measures were multi-year programmes, and others were one-off grants or aid schemes.

COVID-19-related economic support measures

3.99. In response to Director-General's 1 September 2021 requests for information, nine G20 economies, namely Australia, Canada, European Union⁵⁹, Indonesia, Kingdom of Saudi Arabia, and United Kingdom volunteered 23 COVID-19-related support measures to the Secretariat.

3.100. Since the beginning of the pandemic, at least 1,664 COVID-19-related economic support measures have been put in place by 109 Members and 4 Observers.⁶⁰ Of these, as at 4 October 2021, 1020 (61%) were communicated directly to the WTO Secretariat. This also includes 66 COVID-19-related support measures for MSMEs that were communicated directly to the trade monitoring exercise by 49 Members following the recommendation adopted by the Informal Working Group on MSMEs to further increase transparency and provide, on a voluntary basis, information on policies related to MSMEs.

3.101. The unprecedented number of COVID-19-related support measures put in place since the beginning of the pandemic far exceeds the activity seen in the wake of the global financial crisis of 2008-09. Most of the recorded COVID-19-related support measures were put in place by G20 economies (969, or 58% of the total), of which 657 (68%) were communicated to the Secretariat. So far in 2021, 414 such measures have been announced or implemented in the form of grants, loans or stimulus packages targeting sectors of the economy heavily affected by the pandemic, including agriculture, health, aviation, transport, tourism, education, culture, as well as fiscal and financial measures to support businesses and MSMEs and broader and very sizeable stimulus packages. Another set of support measures put in place by governments in response to the COVID-19 pandemic included measures implemented by Central Banks.

3.102. COVID-19-related support measures generally appear to be temporary in nature. Some of the measures implemented in the early stages of the pandemic were extended in 2021, but overall, the flow of new support measures has slowed during the review period, particularly in the second half of 2021. Some of these measures form part of rescue plans staggered over several years or stimulus packages worth several trillion US dollars. The large stimulus packages and economic support measures introduced by several governments have helped to mitigate the economic impact of the pandemic and this is slowly seeing some economies beginning to recover. Central Banks in some countries have started raising interest rates to address rising inflation or cut back their bond purchasing programs, moving away from policies taken to address the economic impacts of the pandemic.

3.103. The responses of high-income economies have been significantly more generous in terms of the number and variety of measures implemented and funds allocated than those offered by lower-income economies. The latter's responses have often relied on funding or other assistance obtained from international organizations and/or donors. The Secretariat identified 443 bilateral and

⁵⁹ Counting the EU (27) and its members separately.

⁶⁰ Azerbaijan, Belarus, Equatorial Guinea, and Iraq.

multilateral assistance⁶¹ measures that were received during the review period by 122 Members and Observers to address the COVID-19 crisis. Of the 443 measures, 224 related to vaccination roll outs and bilateral vaccine donations. Others included additional financing for governments to address the pandemic in the forms of loans, grants, and donations of medical devices. Several assistance measures were also provided to support the education sector and MSMEs.

3.104. The above has captured activities in regular and COVID-19-related economic support measures, including bilateral and multilateral assistance for the period between mid-May and mid-October 2021. Governments around the world have provided an unprecedented number and variety of support measures to address the social and economic impacts of the pandemic. These emergency support measures are central to governments' strategies to address the pandemic-induced economic downturn and to ensure a sustainable recovery. The trade monitoring exercise does not make any judgement as to the WTO-compatibility of any of the measures referred to in this Section.

3.8 Other Selected Trade Policy Issues

3.105. The following Section provides a brief overview of the other selected trade policy issues where important developments took place during the review period. It also includes follow-up to a number of issues which saw outcomes at MC11.

COVID-19-related discussions at the General Council

3.106. The General Council has seen WTO Members engage on COVID-19 related matters on several occasions during the review period. At the 16-18 December 2020, 1-2 and 4 March, 5-6 May, 27-28 July and 7-8 October 2021 General Council (GC) meetings⁶², the TRIPS Council Chair reported on the discussions on the proposed waiver on some TRIPS provisions⁶³ by India, South Africa, and other co-sponsors in relation to the prevention, containment or treatment of COVID-19.

3.107. Based on Members demand and the need to channel all various and useful efforts on the WTO Response to the Pandemic, the GC Chair set up on 22 June 2021 a Facilitator-led, horizontal and multilateral process under the auspices of the GC to streamline and organize work in this area and ensure transparency and inclusiveness. The Ambassador of New Zealand was appointed by the GC Chair to facilitate this process and reported at the 27-28 July and the 7-8 October GC meetings⁶⁴ on the discussions on the WTO Response to the Pandemic.

3.108. At the 16-18 December 2020 and 1-2 and 4 March 2021 GC meetings⁶⁵, the European Union, Canada and other co-sponsors drew the General Council's attention to the Trade and Health Initiative.⁶⁶ At the 5-6 May GC meeting, Canada and other co-sponsors referred to the relevant proposed General Council Declaration.⁶⁷

3.109. At the 1-2 and 4 March GC meeting⁶⁸, Colombia, Costa Rica, Ecuador, Panama and Paraguay presented their joint communication in document and called on Members to exercise restraint in the adoption and implementation of export restrictions on COVID-19 vaccines.⁶⁹

3.110. At the 5-6 May GC meeting, Paraguay, Colombia, Ecuador, Panama and Costa Rica called on Members to exercise restraint in the adoption and implementation of trade restrictions that block equal access to COVID-19 vaccines.⁷⁰

⁶¹ Multilateral assistance refers to assistance from international organizations and regional development banks.

⁶² WTO documents WT/GC/M/188, 22 February 2021; WT/GC/M/190, 23 April 2021; WT/GC/M/191, 8 July 2021; WT/GC/M/192, 4 October 2021; and WT/GC/M/193 (forthcoming).

⁶³ WTO document IP/C/W/669, 2 October 2020, its addenda and its revision.

⁶⁴ WTO documents WT/GC/M/192, 4 October 2021; and WT/GC/M/193 (forthcoming).

⁶⁵ WTO documents WT/GC/M/188, 22 February 2021; and WT/GC/M/190, 23 April 2021.

⁶⁶ WTO document WT/GC/223, 24 November 2020.

⁶⁷ WTO document JOB/GC/251/Rev.1, 22 April 2021.

⁶⁸ WTO document WT/GC/M/190, 23 April 2021.

⁶⁹ WTO document WT/GC/W/818, 18 February 2021.

⁷⁰ WTO documents WT/GC/M/191, 8 July 2021; and WT/GC/W/826, 26 July 2021.

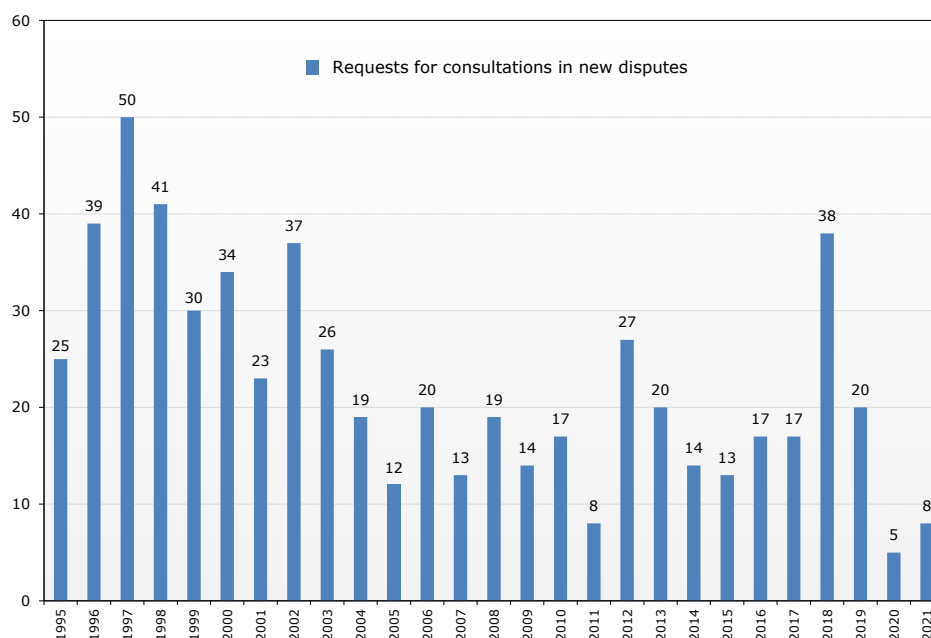
3.111. At the 27-28 July GC meeting⁷¹, Canada, on behalf of co-sponsors of the Trade and Health Initiative, presented a "Draft General Council Declaration – COVID-19 and Beyond: Trade and Health", the European Union presented its communication on "Urgent Trade Policy Responses to the COVID-19 Crisis" and Chinese Taipei its communication on a "Ministerial Declaration on Combating, Mitigating and Recovering from the Impacts of COVID-19 and Beyond".⁷²

Dispute Settlement

3.112. Between the beginning of October 2020 and the beginning of October 2021, the WTO dispute settlement system continued to deal with a large number of proceedings initiated in 2018 and 2019. Following a significant drop in the number of newly initiated disputes in the previous review period, the number of new complaints has rebounded to 10 over the past 12 months (Chart 3.14). Eight of these cases concerned measures adopted by G20 economies.

3.113. The subject matter of new disputes brought against measures adopted by G20 economies spanned a wide range of issues covered under the GATT 1994, the GATS, the SCM Agreement, the Anti-Dumping Agreement, the Agreement on Technical Barriers to Trade, and the Agreement on Rules of Origin. As in previous years, both developed and developing country Members have been involved in dispute settlement proceedings, as complainants, respondents, or third parties.

Chart 3.14 New disputes initiated per year 1995-2021



Note: 2021 data cover the period between January to September.

Source: WTO Secretariat.

3.114. As with other areas of the WTO, the ongoing COVID-19 pandemic has affected the functioning of the dispute settlement system. Lockdowns, travel restrictions and limited access to WTO premises have prevented panelists, arbitrators and delegations of WTO Members alike from participating in meetings in Geneva, with implications for proceedings. Nevertheless, work on most disputes has continued according to the schedules developed by panels and arbitrators following consultation with disputing parties. In cooperation with the parties, and with the Secretariat's assistance, panels and arbitrators have developed procedures addressing the difficulties in holding in-person meetings. These procedures include additional exchanges of written submissions in place of substantive in-person meetings or substantive meetings conducted virtually. As a result, between the beginning of October 2020 and the beginning of October 2021, panels and arbitrators held fully virtual or hybrid substantive meetings with parties in 20 disputes. As of the end of September 2021,

⁷¹ WTO document WT/GC/M/192, 4 October 2021.

⁷² WTO documents WT/GC/W/823, 15 July 2021; WT/GC/231, 4 June 2021; and WT/GC/W/822, 18 June 2021.

panel proceedings in 34 disputes and three arbitrations on the level of suspension of concessions under Article 22.6 of the DSU were ongoing. All but two of these proceedings concerned measures adopted by G20 economies.

3.115. During the review period, panels circulated eight reports and one arbitrator issued a decision on the level of suspension of concessions or other obligations under Article 22.6 of the DSU. Seven of these rulings concerned measures adopted by G20 economies. Between the beginning of October 2020 and the beginning of October 2021, Members appealed six panel reports. These appeals cannot be considered at the current time, however, as in the absence of consensus among the WTO Members to launch the Appellate Body members selection process all seven positions on the Appellate Body have been vacant since 30 November 2020.

Electronic Commerce

3.116. Discussions on electronic commerce in the WTO continue along two parallel tracks – multilaterally under the General Council and its relevant subsidiary bodies, and through the Joint Statement Initiative on Electronic Commerce (JSI). On both tracks, delegations are reiterating the importance of e-commerce in supporting the economic recovery from COVID-19 and the need to address development-related challenges.

3.117. At the multilateral level, discussions on the Work Programme and on the moratorium on customs duties on electronic transmissions have intensified, including at the General Council meetings in May and July 2021. On 5 July 2021, the Chair of the General Council convened a structured discussion which focused on three themes based on his consultations in April, namely (i) electronic transmissions; (ii) the imposition of internal non-discriminatory taxes on electronic transmissions; and (iii) the challenges and opportunities of e-commerce, particularly in the context of the COVID-19 pandemic. The meeting provided an opportunity for Members to share experiences and further explore some of these issues. Work also continued in the relevant bodies entrusted with the implementation of the Work Programme. In preparation for MC12, the Chair of the General Council is conducting consultations on a possible draft ministerial decision.

3.118. JSI participants continue their negotiations under six broad themes: (i) enabling e-commerce; (ii) openness and e-commerce; (iii) trust and e-commerce; (iv) cross-cutting issues, such as transparency, domestic regulation, and cooperation; (v) telecommunications; and (vi) market access. In September 2021, the co-convenors (Australia, Japan, and Singapore) circulated an updated consolidated negotiating text capturing progress made thus far. Clean text was reached on unsolicited commercial electronic messages (spam), e-authentication and e-signatures, electronic contracts, online consumer protection and open government data. An article on transparency has been "parked", subject to the final scope and legal structure of the initiative's outcome. Discussions held in September on capacity building and technical assistance also focused on possible ways of addressing the needs and challenges faced by developing and least-developed countries, as well as on proposals to help them implement the new rules on e-commerce and address the digital divide. The co-convenors aim to achieve substantive progress by MC12.

Fisheries Subsidies

3.119. In line with the mandate in Target 14.6 of the Sustainable Development Goals and from the 11th WTO Ministerial Conference, work continued in 2021 on an agreement to prohibit subsidies that contribute to illegal fishing and to overcapacity and overfishing, with special and differential treatment integral to the negotiations. Although the deadline to complete negotiations in 2020 had been missed, progress made during that year had been considerable, particularly given the restrictions on meetings and movement necessary in the context of the COVID-19 pandemic. These restrictions continued in 2021. Nevertheless, work continued in virtual and hybrid mode and the Chair presented a revised version of a draft text of disciplines in May⁷³ which was revised again in June.⁷⁴ This revision was discussed at a meeting of the TNC held at Ministerial level on 15 July in virtual mode. At that meeting, Ministers stated that they wanted an agreement to be reached as soon as possible, preferably well in advance of MC12. Since then, Members have been engaged in intensive negotiations to reach that goal.

⁷³ WTO document TN/RL/W/276, 11 May 2021.

⁷⁴ WTO document TN/RL/W/276/Rev.1, 30 June 2021.

Government Procurement

3.120. 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. In fact, its significance has grown in the COVID-19 context with growing pressures towards favouring domestic industries as economies try to recover and where health supplies-related emergency government procurement has in some instances been seen to be associated with corruption or mismanagement of public resources. Currently, the Agreement has 21 Parties, covering 48 WTO Members⁷⁵, including 10 G20 economies.⁷⁶ Thirty-five WTO Members/Observers participate as Observers in the WTO Committee on Government Procurement, including eight G20 economies.⁷⁷ Eleven WTO Members, of which three are G20 economies, are in the process of acceding to the GPA 2012⁷⁸ and another four WTO Members undertook commitments in their WTO accession protocols to initiate accession negotiations to the GPA 2012.⁷⁹

3.121. In 2021, progress was made on several ongoing accessions to the Agreement. Notably, Brazil circulated its initial market access offer in February 2021. GPA Parties welcomed Brazil's efforts in its accession process and provided comments on the offer. Brazil's application for accession is the first from Latin America and as such of systemic importance for the GPA 2012. China and the Russian Federation are also continuing to pursue their respective accessions to the GPA 2012. Further discussions took place within the framework of the Work Programmes of the WTO Committee on Government Procurement on sustainable procurement; access to procurement opportunities by small and medium-sized enterprises (SMEs); and the collection and reporting of statistical data.

Micro, Small and Medium-sized Enterprises (MSMEs)

3.122. Established in 2017 at MC11, the WTO Informal Working Group on MSMEs (MSME Group) is an inclusive group of 91 WTO Members with the shared objective of improving access to international trade for MSMEs.

3.123. Following the endorsement of a package of six MSME declarations and recommendations in December 2020⁸⁰ by 97 Members (including 6 non-Members), work by the MSME Group turned towards preparation for MC12 and implementation of the package. A database of MSME-related information in TPRs is being developed in implementation of Annex 1 of the Package.

3.124. A MSME Group Declaration⁸¹ for MC12 was finalized and cleared by the Group in September 2021, taking stock of the progress achieved since the Group's establishment and paving the way for future work. The Group also examined new issues, including low-value shipments, digitalization, cyber readiness, innovation policies and rural MSMEs.

Regional Trade Agreements (RTAs)

3.125. The G20 economies continue to account for a major share of current RTAs. Out of the 51 RTAs notified in the 12 months leading up to 15 October 2021, 49 included at least one G20 economy. Most of these notifications concern the entry into force of various agreements concluded by the United Kingdom following its withdrawal from the European Union and the termination of a transition period lasting until 31 December 2020. As at 15 October 2021, 350 RTAs had been notified to the WTO and were in force.⁸² Of these RTAs, around two-thirds (68%) involve at least one G20 economy. While most RTAs involving G20 economies include provisions in goods and services, for

⁷⁵ The European Union and its 27 member States are covered by the Agreement as one Party.

⁷⁶ Australia, Canada, European Union, France, Germany, Italy, Japan, Republic of Korea, United Kingdom and United States.

⁷⁷ Argentina, Brazil, China, India, Indonesia, Russian Federation, Kingdom of Saudi Arabia and Turkey.

⁷⁸ Albania, Brazil, China, Georgia, Jordan, Kazakhstan, Kyrgyz Republic, North Macedonia, Oman, Russian Federation and Tajikistan.

⁷⁹ Afghanistan, Mongolia, Kingdom of Saudi Arabia and Seychelles.

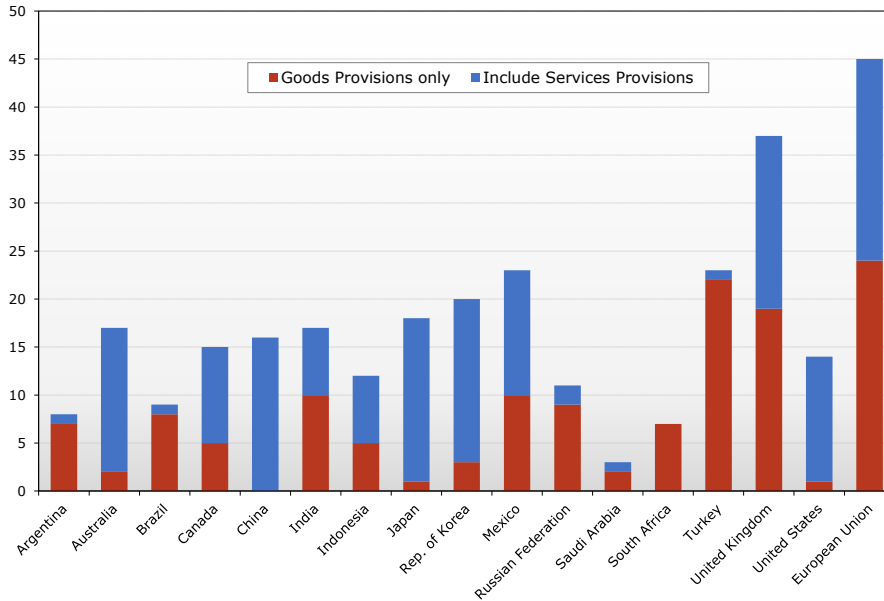
⁸⁰ WTO document INF/MSME/4/Rev.1, 18 March 2021.

⁸¹ WTO document INF/MSME/W/36, 28 September 2021.

⁸² The WTO RTA Database (viewed at: <http://rtais.wto.org>) provides updated information on RTA notifications submitted by WTO Members.

some, notably Argentina, Brazil, Russian Federation, South Africa, and Turkey the majority of RTAs involve trade in goods only (Chart 3.15).

Chart 3.15 G20 RTAs

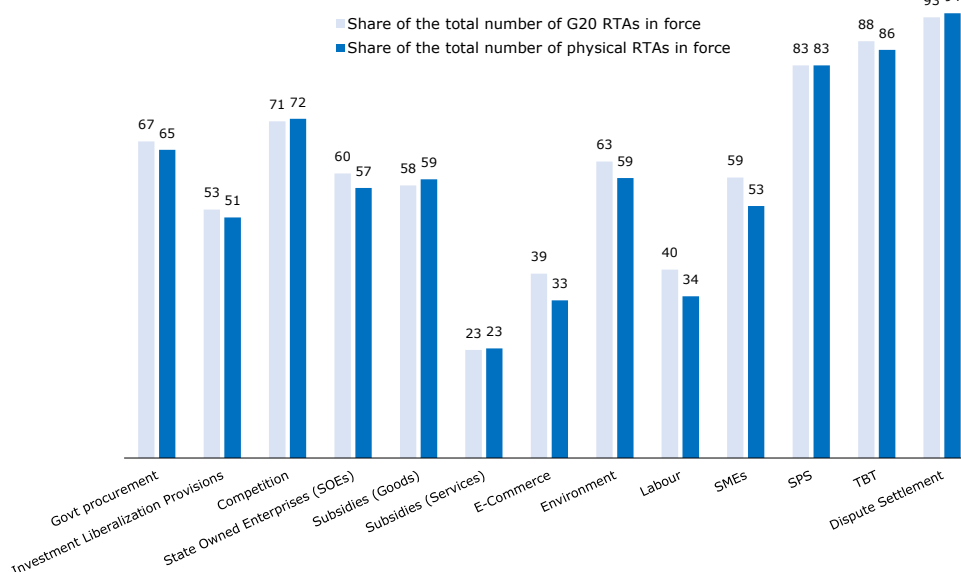


Source: WTO Secretariat.

3.126. 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 subsidies, sanitary and phytosanitary standards, technical barriers to trade, and regulations on labour and environment, competition, government procurement and dispute settlement. Chart 3.16 shows that the number of G20 RTAs that have such provisions range from 23% for subsidies in services to 93% with provisions on dispute settlement. The frequency of several such provisions is greater in RTAs involving G20 economies, than for all RTAs. This includes provisions such as government procurement, investment liberalization, State Owned Enterprises (SOEs), electronic commerce, environment, labour, small and medium-sized enterprises, and TBT provisions. For other provisions, the share is either identical (subsidies in services and SPS provisions) or slightly lower (competition, subsidies in goods and dispute settlement).

Chart 3.16 Key provisions in G20 RTAs and all RTAs

(%)



Source: WTO Secretariat.

Trade and Environment

3.127. Debates at the June 2021 meeting of the Committee on Trade and Environment (CTE) have continued to look at important global issues at the intersection between trade and environmental policies. WTO Members held dedicated discussions at the CTE on several topics including plastics pollution and circular economy; trade and climate change; sustainable fisheries and Fossil Fuel Subsidies Reform (FFSR). A few Member-driven side-events took place back-to-back with the Committee on topics such as sustainable tourism and sustainable post-COVID-19 recovery. Several international organizations also briefed delegations on their work on relevant trade and environment issues.⁸³

3.128. Members continued discussions on trade-related aspects of the EU Green Deal, including the plan to establish a Carbon Border Adjustment Mechanism (CBAM). It is anticipated that the CTE will continue to discuss this point at next CTE meeting scheduled for 12 October 2021, as the EU Commission has released its detailed proposal on CBAM in July 2021.⁸⁴ Members were also briefed on the progress made in the two initiatives launched in November 2020: (i) Structured Discussions on Trade and Environmental Sustainability (TESSD); and (ii) Informal Dialogue on Plastics Pollution and Environmentally Sustainable Plastics Trade (IDP). TESSD and IDP sponsors announced that they were working towards issuing ministerial statements at MC12.

3.129. The following box has been contributed by the International Trade Center (ITC).

Box 3.4 Small businesses that export more likely to adapt to climate change

Climate change impacts follow an inequitable path. Small businesses in strongly affected countries tend to have relatively fewer resources, alternatives, and information with which to adapt. The latest International Trade Centre (ITC) data show that, although smaller firms are less likely to adapt to environment risks than larger ones, exporting increases their propensity to protect themselves from the impacts of a changing climate.

For businesses, adaptation means minimizing the risk of harm from climate change and/or exploiting opportunities arising from it.^a SMEs may design adaptation measures to prepare themselves for specific climate threats, such as building physical barriers to reduce flood damage, and strengthen overall resilience and competitiveness.

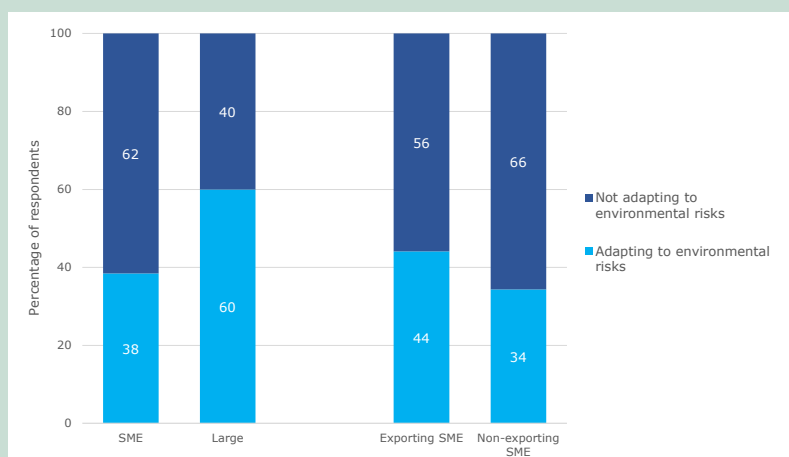
⁸³ Minutes of the June 2021 CTE meeting, WTO document WT/CTE/M/72, 3 August 2021.

⁸⁴ Viewed at: https://ec.europa.eu/commission/presscorner/detail/en/qanda_21_3661.

The evidence indicates that smaller firms are less likely to take action to reduce the environmental risks they face. Sixty per cent of large firms reported that they had invested in at least one measure to reduce exposure to environmental risks, according to ITC SME Competitiveness Surveys in Africa. In comparison, just 38% of micro, small and medium-sized firms had made such an investment.^b Smaller firms have less capital at their disposal and hence less capacity to invest, even when there is a clear business case for doing so.

The difficulties SMEs face in adapting to climate change seem to lessen, however, once they start exporting. SMEs that export are more likely to adapt to environmental risks than SMEs that do not export, according to ITC survey data.^c This may be explained by the fact that exporting gives small businesses the know-how and financial resources to assess, plan and address environmental risks.

Export status and firm size affect tendency to adapt to environmental change^d



Exporting can help small firms adapt to climate change

It pays to adapt to climate change now, given the enormous impact it will have in coming decades.^e Many stakeholders already are determined to 'build back better'.^f Part of this commitment must be geared towards supporting SMEs to adopt profitable, climate-friendly strategies, so that they can develop a competitive advantage by going green.^g

Because smaller firms often lack the information, skills, financing, and time to dedicate to long-term planning, they tend to respond passively to shocks.^h Moreover, many SMEs in developing countries lack access to the networks which could enable them to access the resources necessary for climate risk management. Larger companies are for their part increasingly seeing climate change as a significant long-term threat to their business models and investing to adapt to these changes.ⁱ

If it is mainly large firms that have the foresight and capital to adapt, only they will prepare adequately for climate change. Smaller companies that wait and try to cope after the event are likely to run down assets, with adverse effects on their competitiveness and survival. This could exacerbate corporate concentration, which research suggests is already on the rise because of the COVID-19 pandemic.^j

Current and potential WTO rules and deep trade agreements can help reconcile trade and climate policies, so they support SME's role in sustainable development. Aid for Trade also has an important role to play. For example, ITC's experience providing technical assistance has demonstrated how it can help SMEs understand how climate change will affect their competitiveness on world markets and plan accordingly.^k

Private sector actors in the multilateral trading system also have an important role to play. Lead firms in global value chains can assist their suppliers to adapt to climate change, particularly in LDCs and small island developing States. Supply chain financing, and export finance, must build on the lessons learnt from COVID-19 to help suppliers cope when crisis hits and invest in greening their businesses in good times.

Greater environmental awareness may provide a golden opportunity to accelerate progress towards the 2030 Agenda for Sustainable Development through trade. Climate change responses should be designed to make the green transition feasible – and profitable – for SMEs, particularly those in hard-hit developing countries. Exporting is one way to boost the resilience of SMEs in the face of climate change. The ITD is an active player in ensuring SMEs leverage their participation in international trade for effective adaptation to climate change.

a John Agard and E. Lisa F. Schipper, "Annex II - Glossary," in IPCC Assessment Report 5 Working Group 2, The Intergovernmental Panel on Climate Change (Cambridge: Cambridge University Press, 2014), 1757-76. Viewed at: https://archive.ipcc.ch/pdf/assessment-report/ar5/wg2/WGIAR5-AnnexII_FINAL.pdf.

b ITC, "SME Competitiveness Outlook 2021: Empowering the Green Recovery" (Geneva: International Trade Centre, June 24, 2021). Viewed at: <https://www.intracen.org/SMEOutlook/>.

c ITC, "SME Competitiveness Outlook 2021: Empowering the Green Recovery" (Geneva: International Trade Centre, June 24, 2021). Viewed at: <https://www.intracen.org/SMEOutlook/>.

- d ITC, based on ITC SME Competitiveness Surveys in Benin, Botswana and Zambia with 1,359 firms. Data collected in 2018 and 2019. SMEs are defined as firms with less than 100 employees. Exporters include firms that export regularly and those that export in an irregular and intermittent manner. Respondents were asked "In the last three years, did your company invest in any of the following measures to reduce the environmental risks that your company is facing?" Answer options included irrigation systems; water purification systems; flood prevention systems; power generation systems; soil management practices; transportation means; air pollution controls; temperature controls; other measures to reduce environmentally-related risks; none; and do not know. Respondents who chose any of the answer options (besides none and do not know) are defined as "adapting to environmental risks"; those that chose "none", "do not know" or did not choose are defined as "not adapting to environmental risks".
- e For instance, some estimates suggest that investing USD 1.8 trillion globally in adaptation between 2020 and 2030 could generate USD 7.1 trillion in total net benefits Global Commission on Adaptation, "Adapt Now: A Global Call for Leadership on Climate Resilience" (Rotterdam & Washington, DC: Global Center on Adaptation & World Resources Institute, 2019).
- f Peter Bakker and John Elkington, "To Build Back Better, We Must Reinvent Capitalism. Here's How," July 13, 2020, viewed at: <https://www.weforum.org/agenda/2020/07/to-build-back-better-we-must-reinvent-capitalism-heres-how/>; Maria Mendiluce, "How to Build Back Better after COVID-19," World Economic Forum, April 3, 2020, viewed at: <https://www.weforum.org/agenda/2020/04/how-to-build-back-better-after-covid-19/>; OECD, "Building Back Better: A Sustainable, Resilient Recovery after COVID-19," Policy Brief, OECD Policy Responses to Coronavirus (COVID-19) (OECD, September 2020), viewed at: <http://www.oecd.org/coronavirus/policy-responses/responding-to-the-covid-19-and-pandemic-protection-gap-in-insurance-35e74736/>.
- g For more information on ITC's GreenToCompete strategy, see: <https://www.intracen.org/greentocompete/>.
- h Caroline Schaer, "Editorial: Private-Sector Action in Adaptation: Perspectives on the Role of Micro, Small and Medium Size Enterprises," in Private-Sector Action in Adaptation: Perspectives on the Role of Micro, Small and Medium Size Enterprises. (Copenhagen: UNEP DTU, 2018), viewed at: <http://www.unepdtu.org/PUBLICATIONS/Perspective-Series-2018>.
- i AXA Group and UNEP, "Business Unusual: Why the Climate Is Changing the Rules for Our Cities and SMEs" (Paris and Geneva: AXA Group and the United Nations Environment Programme Financial Initiative Principles for Sustainable Insurance Initiative, 2015); Center for Climate and Energy Solutions, "Weathering the Storm: Building Business Resilience to Climate Change" (Arlington: Center for Climate and Energy Solutions, 2013); EBRD, "Transition Report 2019-20: Better Governance, Better Economies" (London: European Bank for Reconstruction and Development, 2019).
- j Nancy L Rose, "Will Competition Be Another COVID-19 Casualty?" (Brookings, 2020), 15, viewed at: https://www.brookings.edu/wp-content/uploads/2020/07/Rose_LO_FINAL.pdf; The Economist, "Survival of the Fittest: Could the Pandemic Leave Markets More Concentrated?," October 10, 2020, viewed at: <https://www.economist.com/special-report/2020/10/08/survival-of-the-fittest>; UNCTAD, "Impact of the COVID-19 Pandemic on Trade and Development" (Geneva: United Nations Conference on Trade and Development, 2020), viewed at: https://unctad.org/system/files/official-document/osg2020d1_en.pdf.
- k ITC. Forthcoming. Becoming a Climate Resilient SME.

Source: ITC.

Trade Facilitation

3.130. The Trade Facilitation Agreement (TFA) entered into force on 22 February 2017, when two thirds of WTO Members presented their corresponding instruments of acceptance. At the conclusion of the review period, 154 Members (94% of the WTO Membership) had notified the WTO of their domestic ratification of the TFA and had deposited the instruments of acceptance. During the period under review, G20 economies did not submit any notifications concerning the implementation of categories A, B and C. Ten WTO Members presented notifications under Articles 1.4, 10.4.3, 10.6.2 and 12.2.2, (transparency notifications) of which two made notifications in relation to COVID-19 measures. Four WTO Members notified technical assistance and capacity-building activities, in accordance with Article 22.

3.131. In the reporting period, the WTO's Trade Facilitation Agreement Facility (the Facility, or TFAF) maintained the moratorium (started in October 2020) on the delivery of technical assistance activities at the request of a Member in the WTO Trade Facilitation Committee. Consultations have been convened to review the governance of the Facility and to clarify its relationship with the TF Committee. During the reporting period, the TFAF Annual Report for the year 2020 was published.⁸⁵

Trade Financing

3.132. The recovery of trade in many countries has translated into increased demand for import and export finance over the past few months. According to the Berne Union (the association of export

⁸⁵ WTO website Trade Facilitation Agreement Facility: <https://www.tfafacility.org/annual-reports>.

credit agencies), the risk appetite for supporting trade transaction has also increased, although trade credit insurers are preparing for an increase in defaults incurred at the height of the pandemic.

3.133. The Asian Development Bank (ADB) estimated that the global trade finance gap had increased from USD 1.5 trillion in 2018 to USD 1.7 trillion in 2020, during the pandemic – despite the fall in world trade in 2020. The trade finance gap, i.e. the amount of trade finance requests that are rejected, affected mainly developing countries. The increased number of rejections of trade finance applications between 2018 and 2020 were linked to the higher risk and uncertainty prevailing during the pandemic. The perception of risk and expectations of losses by lenders *vis-à-vis* borrowers is typically higher during periods of recession. Lending requirements have been tightened. Local banks rejected more applications from local borrowers, because they received less confirmation lines for letters of credit or less funding in foreign exchange from international banks for trade transactions.

3.134. SMEs have been the category of companies most affected by the increase in the rejection rate. According to the ADB, 45% of SME's applications were rejected (against 38% for mid-size companies, and 10% for large companies). When rejected, in two-thirds of the cases companies had to draw on their own funds or resort to informal modes of finance for the transaction to take place. In one-third of the cases, no funding was available. Women-owned SMEs faced considerable difficulties in accessing trade finance—among the women-owned firms surveyed, about 70% of their applications were totally or partially rejected. A significant share of the gap, occurs in Africa, according to the African Development Bank's own trade finance gap study: USD 90 billion, out of a market estimated at USD 415 billion (a 20% market gap) in 2019. The share of SME trade finance applications rejected by banks is also about 45%, similar to the international average. However, trading firms being more likely to be SMEs, this rejection rate translated into a proportionally higher trade finance gap.

Women's Economic Empowerment: Trade Policy Trends in WTO Members

3.135. On 23 September 2020, the 127 proponents of the Buenos Aires Declaration on Trade and Women's Economic Empowerment established the Informal Working Group on Trade and Gender (IWG).⁸⁶ Members of the IWG work on the basis of four pillars: Experience sharing; Considering the concept and scope for a "gender lens"; Reviewing analytical work undertaken; Contributing to the Aid for Trade work programme.

3.136. Since January 2021, Members have advanced their technical work acquiring a better understanding of the trade and gender nexus. They focused their work on 12 categories of policy interventions, i.e. 1) Trade exports in the circular economy in support of women's economic activity and livelihood; 2) Data collection leading to informed policies; 3) Assessing the impact of trade, trade policies and trade agreements on women; 4) Promoting female entrepreneurship; 5) Fostering women's participation in the economy; 6) Combating the impacts of COVID-19 on women; 7) Female leadership; 8) Gender chapters and provisions in free trade agreements and regional trade agreements; 9) Applying a gender lens to trade and WTO; 10) Development aid and Aid for Trade targeting women; 11) Standards and gender; and 12) Capacity building.

3.137. In parallel, some WTO Members continue to integrate trade and gender issues in their trade policy review reports. Since 2018, 55% the WTO Members reviewed provided information on their gender-responsive trade policies.⁸⁷

⁸⁶ WTO document WT/L/1095/Rev.1, 25 September 2020.

⁸⁷ In 25 out of 45 reviews carried out between January 2018 to September 2021.

4 POLICY DEVELOPMENTS IN TRADE IN SERVICES

4.1 Regular Measures Affecting Trade in Services

4.1. Many new services measures were introduced by G20 economies during the review period, affecting different modes of supply across various sectors. While some appear to be trade-facilitating, many new policies appear to be restrictive. Most of the new measures related to telecommunication and Internet- and other network- enabled services, financial services and some related to investment measures for foreign services suppliers. Annex 4 of the separate Addendum to this Report provides additional information on the 28 new measures recorded during the review period for Australia, Brazil, China, Germany, India, Indonesia, Japan, Republic of Korea, Russian Federation, Kingdom of Saudi Arabia and United States.¹

Measures Affecting Supply Through Multiple Modes of Supply Across Various Sectors

4.2. In Brazil, a new law on the business environment, which came into effect on 26 August 2021, facilitates the establishment and operations of companies by introducing changes to guidelines and procedures for entrepreneurs and legal entities, and to the law on the public registry of companies. Changes include the automatic granting of business licences for medium-risk activities, the removal of the residency requirement for foreign administrators, the lifting of foreign investment restrictions in certain sectors, or the ending of the requirement that a local address is provided for establishment. The law also standardizes the payment of international trade fees and simplifies procedures related to international trade in services.

4.3. In China, the government issued the Negative List of Hainan Cross-Border Trade in Services (covering cross-border trade, consumption abroad and movement of natural persons), -in effect since 26 August 2021. The list includes 70 applied special administrative measures (market access, such as local presence requirements, and national treatment restrictions) in 11 sectors, including shipping, construction, distribution, logistics, finance, health, and education services. Cross-border trade in services not included in the list will be conducted in accordance with corresponding regulations.

Measures Affecting Supply Through Commercial Presence Across Various Sectors

4.4. Following the new Law regarding Job Creation (the "Omnibus Law"), Indonesia issued in February 2021 the Presidential Regulation regarding Investment Business Fields (effective since 4 March), which liberalized foreign ownership limits in certain services sectors using a positive list. A new regulation introduced certain changes to the list, in effect- since 25 May 2021. E-commerce of many consumer products are now reserved for Cooperatives and MSMEs, which limits the ability of foreign investors to engage in such activities. A maximum foreign ownership of 49% has been set on courier services, while postal services were removed from the list of restricted activities. A "grandfather clause" provides exemptions for investments which were made and approved as determined in their respective business licences prior to the release of the two regulations.

4.5. In Japan, the government updated the list of businesses subject to the requirement of submitting prior notification concerning inward direct investment under the Foreign Exchange and Foreign Trade Act. Certain services sectors related to critical minerals (including rare earth) were added to the list of core business sectors (covering metal mining, manufacturing, repair/maintenance or software for devices or products used for metal mining, component analysis services of minerals, and the construction services business that improves or maintains port facilities on designated remote islands).

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

4.6. Several G20 economies adopted new measures in relation to the communications sector, Internet- and other network-enabled services, or e-commerce, that have implications for foreign services or foreign service suppliers. In the Russian Federation a law signed on 1 July 2021 imposes

¹ The inclusion of any measure in the Annex does not imply any 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.

certain requirements on foreign companies that target a Russian Internet audience. Companies with a daily audience in the Russian Federation of more than 500,000 users are required to establish a representative office, a branch, or a legal entity in the country.

4.7. In the United States, an executive order signed on 9 June 2021 repeals and supersedes three prior executive orders aimed at prohibiting transactions with TikTok and WeChat and eight other software applications. This order enables the United States to take measures to protect sensitive data, develop standards for identifying software applications that may pose unacceptable risks and further develop plans to protect sensitive personal data against potential threats posed by certain connected software applications.

4.8. In China, new laws were passed covering data security and the protection of personal information, as well as a new regulation relating to the 2016 Cyber Security Law. The new regulation provides a definition of Critical Information Infrastructure (CII), clarifies the responsibility of relevant authorities involved in the regulation of CII, and spells out the duties and liabilities of CII operators. The cross-border transfer of important data collected and generated by critical information infrastructure operators within China may be transferred overseas subject to a security assessment. Besides critical information infrastructure operators, non-critical information infrastructure operators may also be required to store personal information collected or produced through their activities in China and be obliged to pass security assessments for cross-border transfers of the information.

Other services measures

4.9. Some G20 economies introduced measures in the financial services sector during the review period. In Russian Federation, from 22 August 2021 a new law enables the establishment of branches of foreign insurers and reinsurers. In India, the government amended its foreign direct investment policy for the insurance sector, in effect since 19 August 2021, permitting up to 74% foreign shareholding in insurance companies under the "Automatic Route" (49% previously). From 1 July 2021, Indonesia relaxed the foreign ownership and voting rights limits for payment services providers. For payment service providers of non-bank institutions, the maximum share of foreign ownership is 85% and the maximum share of foreign ownership with voting rights is 49%.

4.10. In the education sector, China introduced a measure, in effect since 1 September 2021, which forbids private foreign-invested enterprises and social organizations controlled by foreign parties to supply compulsory education services. Furthermore, since 24 July 2021, foreign investment in "subject-based" training institutions is prohibited, whether through mergers or acquisitions, trustee arrangements, franchising, or through a "variable interest entity" (VIE). Also, all online "subject-based" training institutions are now subject to government approval.

Measures affecting supply through the movement of natural persons

4.11. Since 7 July 2021, Australia has prioritized the processing of skilled visa applications for temporary skill shortages and for temporary work. Priority is given in relation to (1) nominated occupations specified in the Priority Migration Skilled Occupation List (PMSOL), nominations lodged in relation to a Global Talent Employer Sponsored Agreement, or nominations lodged in relation to an Agricultural Sector Occupation; and (2) nominations lodged for an occupation in a Critical Sector not covered under (1). For these categories, priority has been given to holders of eligible passports who are in Australia over those offshore. All visa-free entrants into the Republic of Korea must now apply online for a Korea Electronic Travel Authorization (K-ETA) at least 24 hours before travelling to the country.

Air Services Agreements

4.12. Table 4.1 presents information on air services agreements (ASAs) concluded or amended during the period under review by G20 economies. These include both new ASAs and revisions of existing ones. As far as can be assessed from available sources, the majority of these ASAs provides for improved access conditions than was previously the case. The air transport sector is under continued severe strain because of the COVID-19 pandemic and this appears to have generally resulted in a fall in the number of ASAs concluded during the reporting period.

Table 4.1 Air Transport Agreements² concluded or amended between May and October 2021

Parties		Date of signature	Source
European Union	ASEAN	02.06.2021	https://www.atn.aero/#/article.html?id=80318htmlfile%5CShell%5COpen%5CCommand
Turkey	Maldives	02.09.2021	https://raajje.mv/105984

Source: WTO Secretariat.

4.2 COVID-19-Related Measures Affecting Trade in Services³

4.13. During the review period, COVID-19-related measures affecting trade in services was recorded only for one G20 economy, the United Kingdom.⁴ This confirms the downward trend in introducing new COVID-19-related measures observed in the previous Report. However, many measures introduced in 2020 remain in force, with some being extended, e.g., in France (relaxation of rules on the use of telemedicine services extended until the end of 2022) or in Italy (measures introduced for the screening of foreign direct investment extended until 31 December 2021).

4.14. The full list of services measures taken in response to the COVID-19 pandemic - since the beginning of the COVID-19 pandemic - is available on the WTO website.⁵

² 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.

³ The information in this Section was compiled by the WTO Secretariat and is an informal situation report and an attempt to provide transparency with respect to measures affecting trade in services taken in the context of the COVID-19 crisis. It does not pass judgment on or question the right of WTO Members to take such actions. The Secretariat has not sought to determine or indicate whether the measures listed in the table in annex 6 have trade-restrictive or trade-facilitating effects. The information is not exhaustive and does not include information on general support measures relating to services. Further, the objective is not to list all COVID-19-related measures taken by governments around the world to limit movement, nor all the measures taken to ease the impact of border restrictions or other limits on movement.

⁴ In the transport services sector, the United Kingdom published a number of new measures relating to drivers, in particular to avoid disruptions in the supply chain (driver hours relaxation reintroduced from 12 July 2021 until 8 August 2021; drivers' hours and tachographs temporary exemptions effective from 9 August until 3 October 2021). Viewed at: <https://www.gov.uk/government/publications/temporary-relaxation-of-the-enforcement-of-the-retained-eu-drivers-hours-rules-all-road-haulage-sectors-within-great-britain>; <https://statutoryinstruments.parliament.uk/timeline/LrRAfV17/SI-2021921/>.

⁵ Viewed at: https://www.wto.org/english/tratop_e/covid19_e/trade_related_services_measure_e.htm.

5 POLICY DEVELOPMENTS IN TRADE AND INTELLECTUAL PROPERTY

5.1. 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. They also implemented specific IP measures to facilitate the development and dissemination of COVID-19-related health technologies; and to streamline procedural requirements for administrative IP matters in the face of lockdowns.

IP-related international, bilateral, and regional trade agreements (RTAs)

5.2. During the review period, the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks, entered into force in the Kingdom of Saudi Arabia on 22 July 2021.

5.3. The Eurasian Regional System for Registration of Industrial Designs established under the Protocol was launched on 1 June 2021 in the Russian Federation. Furthermore, The Council of the Eurasian Economic Commission adopted Decision No. 53 on "Instructions to the Treaty Detailing the Respective Procedures", on 18 May 2021.

5.4. G20 economies have also been actively including IP provisions in their regional and bilateral trade agreements. The new Free Trade Agreement between the European Free Trade Association and Turkey entered into force in October 2021 and replaced the 1991 agreement.¹

5.5. On the bilateral front, the Saudi Authority for IP (SAPI) launched a Collaborative Patent Search Pilot Program with the Korean Intellectual Property Office (KIPO).²

Developments in domestic legislation and administration of IPRs

5.6. Domestically, G20 economies continued to develop the relationship between IP and trade, as they modernize their legislation and administration (Table 5.1).

Table 5.1 Domestic legislation and administrative developments

Member	Measure
Australia	Public consultations on indigenous knowledge in the IP System, from February to May 2021. The Designs Amendment Bill 2020 was passed by Parliament, on 30 August 2021, received Royal Assent on 10 September 2021 and most measures will enter into force on 10 March 2022.
China	The Decision of the Standing Committee of the National People's Congress on Amendments to the Patent Law of the People's Republic of China became effective on 1 June 2021.
Indonesia	The Ministry of Finance Regulation No. 67/PMK.02/2021 the set the types and prices (in Swiss Francs) for non-tax state revenue for applications for registration and extensions based on the Madrid Protocol, entered into force on 17 June 2021.
Russian Federation	Federal Law No. 262-FZ authorized certified scientific and educational organizations to undertake preliminary search and assessment of patentability for inventions and utility models; and entered into force on 1 August 2021.
Saudi Arabia, Kingdom of	The competencies of the Ministry of Commerce regarding trademark enforcement were transferred to SAPI, as of 15 August 2021.

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

Source: WTO Secretariat.

COVID-19-related measures

5.7. G20 economies have undertaken a wide range of measures to promote innovation or facilitate access with respect to COVID-19-related health technologies, as well as to streamline procedural

¹ Communication by Norway to the WTO Trade Monitoring Report.

² Communication by the Kingdom of Saudi Arabia to the WTO Monitoring Report.

requirements or establish online procedures to facilitate IPR management for applicants, right holders, and other stakeholders. The Secretariat maintains an indicative list of measures online.³

TRIPS Council

5.8. During the review period, G20 economies participated actively in the TRIPS Council. At the June 2021 meeting, the Council discussed again the proposal by India and South Africa to waive parts of the TRIPS Agreement during the pandemic.⁴ The Council also considered the European Union's Communication on "Urgent Trade Policy Responses to the COVID-19 Crisis – Intellectual Property" and the proposed "Draft General Council Decision on the TRIPS Agreement and Public Health and the Circumstances of the Pandemic".⁵ At TRIPS meeting, G20 economies continued to share information and best practices on domestic policies to boost MSMEs' intellectual property and competitiveness in green technologies; as well as IP financing, funding, and investment.⁶

³ WTO, *COVID-19: Measures regarding trade-related intellectual property rights*. Viewed at: https://www.wto.org/english/tratop_e/covid19_e/trade_related_ip_measure_e.htm.

⁴ WTO document IP/C/W/669, 2 October 2020, and addenda.

⁵ WTO document IP/C/W/680, 4 June 2021 and IP/C/W/681, 18 June 2021 respectively.

⁶ WTO documents IP/C/W/667, 9 September 2020; IP/C/W/675, 26 February 2021; and IP/C/W/679, 27 May 2021.