14 November 2022

REPORTS ON G20 TRADE AND INVESTMENT MEASURES[1]

(MAY TO OCTOBER 2022)

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JOINT SUMMARY ON G20 TRADE AND INVESTMENT MEASURES

We are pleased to submit our reports on G20 trade and investment measures. They are presented under the mandate provided by G20 Leaders to the WTO, OECD and UNCTAD and cover trade and investment measures implemented by G20 economies during the period from May to October 2022.

The WTO Trade Monitoring Report comes at a time when the war in Ukraine, events related to climate change, soaring food and energy prices as well continuing ramifications of the COVID-19 pandemic are having serious implications for the global economy. The outlook for international trade in 2023 is estimated to further slow with an expansion of just 1.0%, down sharply from the previous estimate of 3.4%.

The Report provides an update on the surge in export restrictions on food, feed and fertilizers associated with the war in Ukraine and their impact on food security around the world. Although several of these export restrictions have been lifted or eased, many remain in place. G20 economies must lead the efforts to roll back export restrictions and ensure the free flow of trade.

During the review period, G20 economies introduced more trade-facilitating than trade-restrictive measures on goods and services. Nevertheless, the overall pace of new trade restrictions increased. In addition, the Report provides evidence that the stockpile of G20 import restrictions in force continues to grow.

The successful conclusion of the 12th WTO Ministerial Conference (MC12) on 17 June 2022 in Geneva secured a series of unprecedented multilaterally agreed outcomes on fisheries subsidies, on the WTO response to the current and future pandemics, including a waiver of certain IP requirements concerning compulsory licensing for COVID 19 vaccines, on food security, on the extension of the moratorium on e-commerce, and on WTO reform.

G20 economies must continue to demonstrate leadership and cooperate to keep markets open and predictable to allow goods to flow to where they are needed the most, remove supply chains bottlenecks and get global value chains (GVCs) back to their disinflationary role that they have played in the past.

The OECD and UNCTAD Monitoring Report on investment measures notes that global FDI flows surged in 2021 and continued their upward trajectory in the first quarter of 2022, reaching their highest quarterly level in the past five years. The outlook remains however uncertain given the current geopolitical context.

After a period in which G20 members adjusted their investment policies to exceptional economic circumstances triggered by the COVID crisis and the war in Ukraine, the frequency of investment policy reform in G20 members slowed again significantly. Investment policy action in G20 members now again focuses essentially on adjustments of policies that seek to address implications that foreign investment can occasionally have for essential security interests.

Despite their potential impact on international investment, such policies do not constitute a deviation from the general stance of openness to international investment, which remains paramount to address future crises, to achieve a swift and just transition to carbon neutrality, and to overcome the continued and deepening poverty across and within societies. In this regard, continued vigilance and commitment by G20 members is needed.

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REPORT ON G20 TRADE MEASURES

(MID-MAY 2022 TO MID-OCTOBER 2022)

TABLE OF CONTENTS

EXECUTIVE SUMMARY

1. This 28th Trade Monitoring Report on G20 trade measures comes at a time when the global economy continues to face multiple challenges. The war in Ukraine, events related to climate change, soaring food and energy prices as well as the continuing ramifications of the COVID-19 pandemic are having serious implications for the global economy.

2. Since 2020, the pace of implementation of new restrictions by WTO Members, in particular on the export side, has increased, first in the context of the pandemic and more recently in the context of the war in Ukraine and the food security crisis. WTO Members have gradually lifted some of these export restrictions. As of mid-October 2022, 53 export restrictions on food, feed and fertilizers and 27 COVID-19-related export restrictions on essential products to combat the spread of the virus were still in place. Of these, 43% export restrictions on food, feed, and fertilizers and 63% pandemic-related export restrictions were maintained by G20 economies.

3. Between mid-May and mid-October 2022, G20 economies introduced more trade-facilitating (66) than trade-restrictive (47) measures on goods (these numbers exclude measures related to the pandemic). Nevertheless, the pace of implementation of new restrictions by G20 economies increased during the review period. The trade coverage of the trade-facilitating measures introduced (USD 451.8 billion) is higher than that of trade restrictive (USD 160.1 billion). Initiations of G20 trade remedy investigations declined sharply during the review period.

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

5. G20 economies must build on the momentum achieved at MC12 and demonstrate leadership to keep markets open and predictable to allow goods to flow to where they are needed the most, remove supply chains bottlenecks and get global value chains (GVCs) back to the disinflationary role that they have played in the past.

Specific findings

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

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

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

9. The pace of implementation of new **export restrictions** by WTO Members has increased since 2020, first in the context of the pandemic and subsequently with the war in Ukraine and the food crisis. WTO Members gradually lifted some of the export restrictions. As of mid-October 2022, 53 export restrictions on food, feed and fertilizers were still in place, in addition to the 27 COVID-19-related export restrictions on essential products to combat the spread of the virus. Of these, 43% of export restrictions on food, feed, and fertilizers and 63% of pandemic-related export restrictions were maintained by G20 economies.

10. During the review period, G20 economies introduced **66 new trade-facilitating and 47 trade-restrictive measures on goods, unrelated to the pandemic**. Most of these are import measures. The pace of implementation of new trade restrictions by G20 economies increased during the review period. The trade coverage of the trade-facilitating measures was estimated at USD 451.8 billion, and that of the trade-restrictive measures at USD 160.1 billion.

11. The **stockpile** of G20 import restrictions in force continues to grow. By mid-October 2022, 11.6% of G20 imports were affected by import restrictions implemented by G20 economies since 2009 and which are still in force.

12. Initiations of **trade remedy** investigations by G20 economies declined sharply during the review period (17 initiations) after reaching their highest peak in 2020. Trade remedy actions remain an important trade policy tool for most G20 economies, accounting for 41% of all non-COVID-19-related trade measures on goods recorded in this Report. Anti-dumping continues to be the most frequent trade remedy action in terms of initiations and terminations.

13. **In the services sectors**, 22 new measures were introduced by G20 economies, half of which targeted telecommunications and Internet- and other network-enabled services, and financial services. New measures were evenly distributed between trade-facilitating and trade-restricting.

14. The implementation of <u>new</u> **COVID-19 trade-related measures by G20 economies** has decelerated over the past five months, with four new such measures recorded on goods and one on services. Additional information communicated by G20 economies on goods, mainly consisted of termination of existing measures or amendments of others. Many COVID-19-related measures affecting trade in services put in place by G20 economies are still in force. The number of new COVID-19-related support measures to mitigate the social and economic impacts of the pandemic fell sharply over the past five months.

15. Since the beginning of the pandemic, 201 COVID-19 trade and trade-related measures in goods were implemented by G20 economies. Most (61%) were trade-facilitating measures, while the rest (39%) could be considered trade restrictive. G20 economies continued to phase out pandemic-related import and export measures. By mid-October 2022, 77% of export restrictions had been repealed, leaving 17 restrictions in place. Although the number of the pandemic-related trade restrictions still in place has decreased, their trade coverage remains important at USD 122.0 billion.

16. 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 regular SPS notifications submitted by G20 economies during the review period. Of the 51 specific trade concerns (STCs) raised in the SPS Committee during the review period, most (94%) involved a G20 economy. G20 economies submitted 40% of all 127 SPS notifications and communications on measures taken in response to the pandemic.

17. Most of the new regular TBT notifications submitted by G20 economies during the review period, indicated the protection of human health or safety as their main objective. All eight persistent STCs discussed during the review period concerned G20 measures. G20 economies submitted 138 out of 225 TBT notifications (61%) to the WTO in response to the pandemic.

18. The majority of the **trade concerns raised** in WTO bodies concerned G20 measures or policies. Members continued to use WTO bodies to address their trade concerns and engage trading partners on real or potential areas of friction.

19. In the **Committee on Agriculture**, most questions focused on policies implemented by G20 economies. Of the 202 questions raised during the review period, 72% related to policies implemented by G20 economies, including questions on Specific Implementation Matters (SIMs), individual notifications, and overdue notifications, with most questions related to domestic support notifications or policies.

20. G20 economies continued 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. The pace of implementation of specific measures related to COVID-19 health technologies slowed during the review period.

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

1 INTRODUCTION

1.1. This 28th WTO Trade Monitoring Report reviews trade and trade-related measures implemented by G20 economies during the period from 16 May to 15 October 2022.[1] The G20 Trade Monitoring Reports have been prepared since 2009, in response to the request by G20 Leaders to the WTO, together with the Organisation for Economic Co-operation and Development (OECD) and the United Nations Conference on Trade and Development (UNCTAD), to monitor and report on trade and investment measures implemented by G20 economies. The previous Report, which covered the period from mid-October 2021 to mid-May 2022 was issued on 30 June 2022.

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 and developments in the implementation of a broad range of policy measures that impact the flow of trade. It also offers an update on the main indicators of the world economy and on the state of global trade.

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

1.4. A consistent feature of the trade and trade-related measures taken in response to the COVID-19 pandemic 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 website[2] 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 preparing the Trade Monitoring Reports, the WTO Secretariat requests Members to verify the trade and trade-related measures identified. This transparency initiative has been widely welcomed as providing an important platform for Members to ascertain how others were responding to the pandemic as well as to update existing measures, including when measures were terminated. In its verification requests, the Secretariat also encouraged delegations to notify measures through the relevant WTO committees. This resulted in a significant increase in formal notifications, which is also detailed on the dedicated COVID-19 page.

1.6. In this G20 Trade Monitoring Report, each Section, except Section 2, will first cover the regular monitoring of trade and trade-related measures implemented by G20 economies during the review period. Where relevant, developments in the context of the COVID-19 pandemic, including specific work and activities undertaken in various WTO committees in this context, will be covered. Finally, and if applicable, developments in the context of the war in Ukraine are also covered.

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

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[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 with 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, can be downloaded from the WTO's website.[4] This information is also publicly available through the Trade Monitoring Database (TMDB).[5] A dedicated page on the WTO website provides an overview of measures implemented and notifications submitted in the context of the COVID-19 pandemic.[6]

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 to delegations for verification. When it was not possible to confirm information, this is noted in the Annexes.

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

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

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

2 RECENT ECONOMIC AND TRADE DEVELOPMENTS

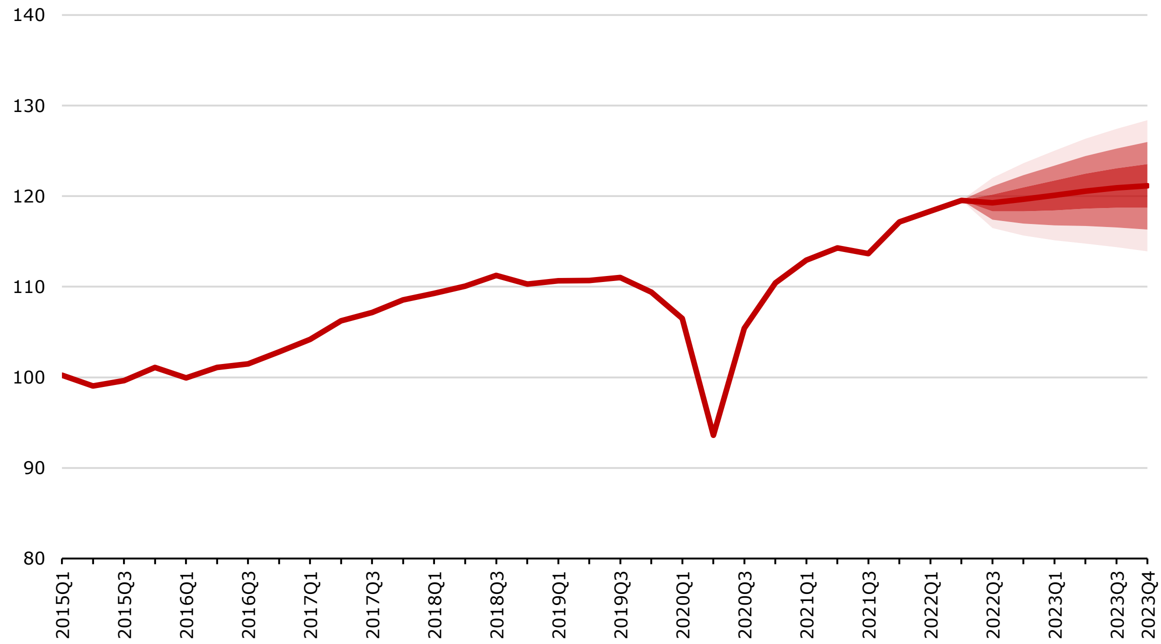
2.1 Economic outlook and trade volume developments

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

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

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

(Seasonally-adjusted volume index, 2015=100)



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

Source: WTO Secretariat estimates; and UNCTAD.

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

2.4. Hard data on the impact of the Russian Federation-Ukraine war were scarce at the time of the WTO's April 2022 trade forecast, forcing WTO economists to rely on simulations to generate plausible

[1] WTO (2022), "Trade growth to slow sharply in 2023 as global economy faces strong headwinds", press release 909, 5 October. Viewed at: https://www.wto.org/english/news_e/pres22_e/pr909_e.htm.

GDP assumptions. As events unfolded, the WTO's GDP projections for 2022 were broadly correct, but estimates for 2023 turned out to be overly optimistic, as inflation became more broad-based, and the war in Ukraine continued. The current forecast issued on 5 October 2022 is premised on world GDP growth at market exchange rates of 2.8% in 2022 (unchanged from the previous forecast) and 2.3% in 2023 (1.0 percentage points lower than previously estimated).

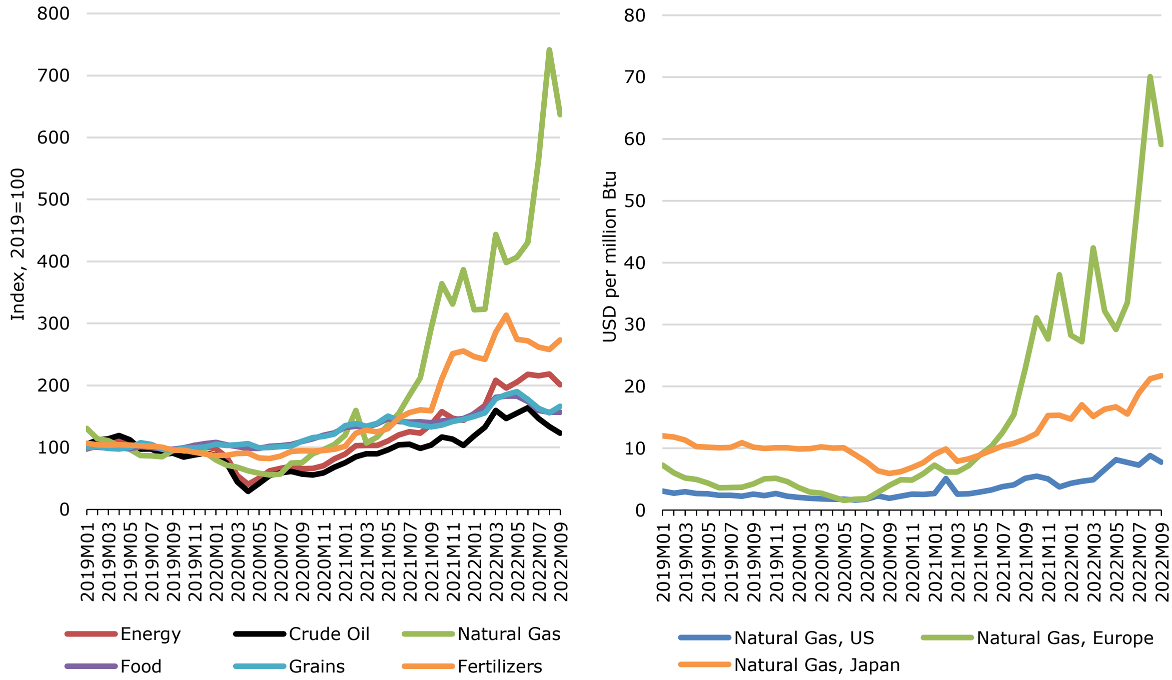
2.5. Trade growth will slow sharply but remain positive in 2023 if the current forecast is realized, but all projections should be taken with a grain of salt given the unpredictable nature of the war and the shifting stance of monetary policy in leading economies. Uncertainty about the forecast is represented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

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

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

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

(Index 2019=100 and USD per million Btu)



Source: World Bank.

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

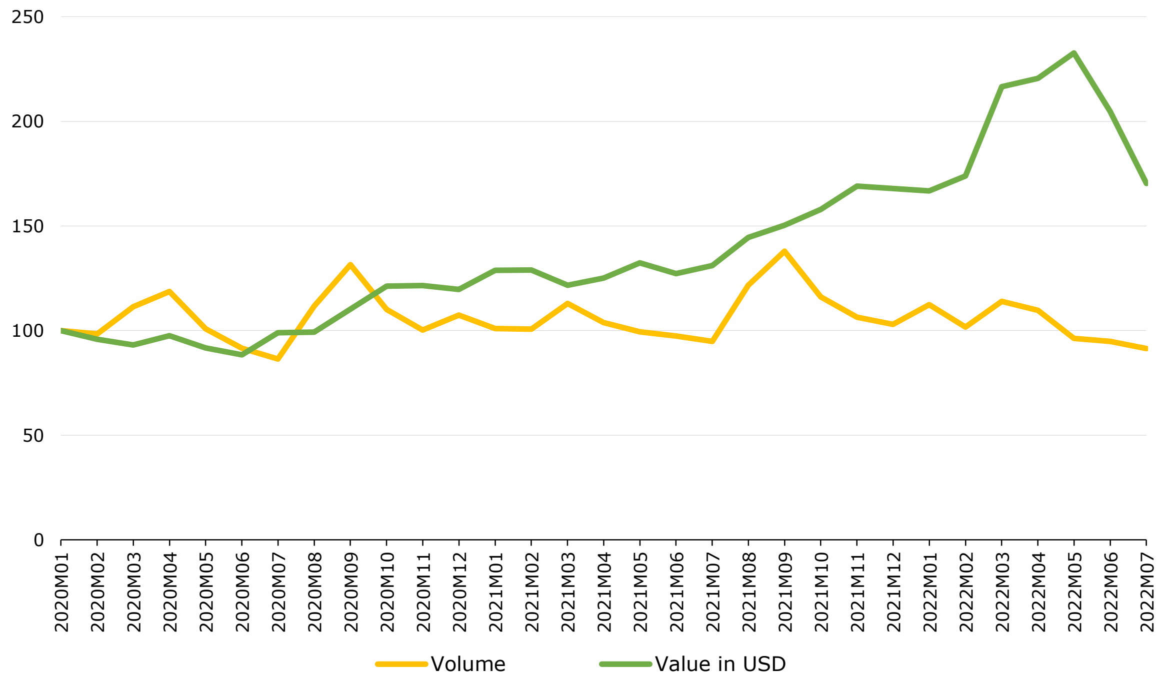
2.9. Food prices in US dollar terms have also risen sharply due to the fact that the Russian Federation and Ukraine are both major suppliers of grains and fertilizers. This has raised food security concerns, especially in low-income countries that tend to spend a large fraction of household income on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

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

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

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

(Index, January 2020=100)

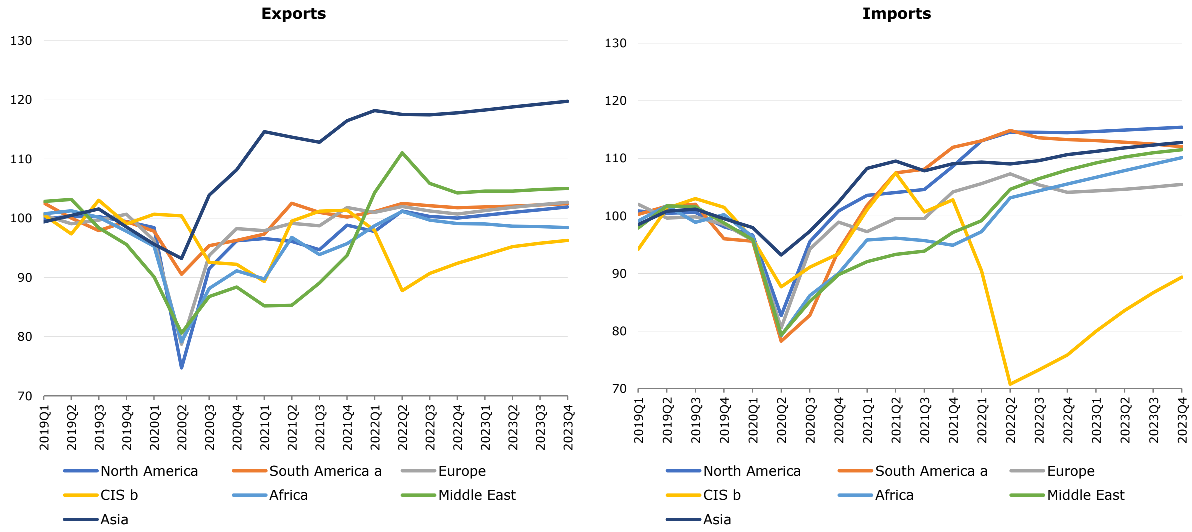


Source: WTO Secretariat estimates based on partner statistics.

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

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

(Volume index, 2019=100)



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

Source: WTO Secretariat and UNCTAD.

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

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

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

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

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

(Annual % change)

	2018	2019	2020	2021	2022[a]	2023[a]
Volume of world merchandise trade[b]	3.2	0.5	-5.2	9.7	3.5	1.0
Exports						
North America	3.9	0.4	-8.9	6.5	3.4	1.4
South America[c]	0.6	-1.3	-4.9	5.6	1.6	0.3
Europe	1.8	0.6	-7.8	7.9	1.8	0.8
CIS[d]	4.1	-0.1	-1.7	0.5	-5.8	3.3
Africa	3.2	-0.4	-8.1	5.2	6.0	-1.0
Middle East	4.8	-1.3	-8.9	1.4	14.6	-1.5
Asia	3.7	0.9	0.5	13.3	2.9	1.1

	2018	2019	2020	2021	2022[a]	2023[a]
Imports						
North America	5.1	-0.6	-5.9	12.3	8.5	0.8
South America[c]	4.6	-1.8	-10.7	25.4	5.9	-1.0
Europe	1.9	0.3	-7.3	8.3	5.4	-0.7
CIS [d]	4.0	8.3	-5.5	9.1	-24.7	9.4
Africa	5.5	3.1	-14.7	7.7	7.2	5.7
Middle East	-4.4	11.2	-10.1	8.4	11.1	5.7
Asia	5.0	-0.4	-1.0	11.1	0.9	2.2
Real GDP at market exchange rates	3.2	2.6	-3.4	5.8	2.8	2.3
North America	2.8	2.1	-3.8	5.5	1.7	1.0
South America[c]	0.4	-0.6	-6.9	7.2	3.7	1.6
Europe	2.1	1.7	-5.8	5.8	2.7	0.9
CIS[d]	3.1	2.6	-2.5	4.9	-3.2	-2.1
Africa	3.2	3.0	-2.5	5.1	3.5	3.6
Middle East	1.6	1.3	-4.5	3.5	5.7	3.4
Asia	4.9	4.0	-0.9	6.2	3.7	4.2
Memo: Least Developed Countries (LDCs)						
Volume of merchandise exports	5.4	0.0	-1.8	4.9	7.1	3.8
Volume of merchandise imports	4.9	3.1	-10.9	9.5	6.6	8.9
Real GDP at market exchange rates	4.6	4.9	0.4	2.1	4.4	4.4

a Figures for 2022 and 2023 are projections.
b Average of exports and imports.
c South and Central America and the Caribbean.
d Commonwealth of Independent States (CIS), including certain associate and former member States.
Note: These projections incorporate mixed-data sampling (MIDAS) techniques for selected countries to take advantage of higher-frequency data such as container throughput and financial risk indices.

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

2.2 Trade developments in value terms

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

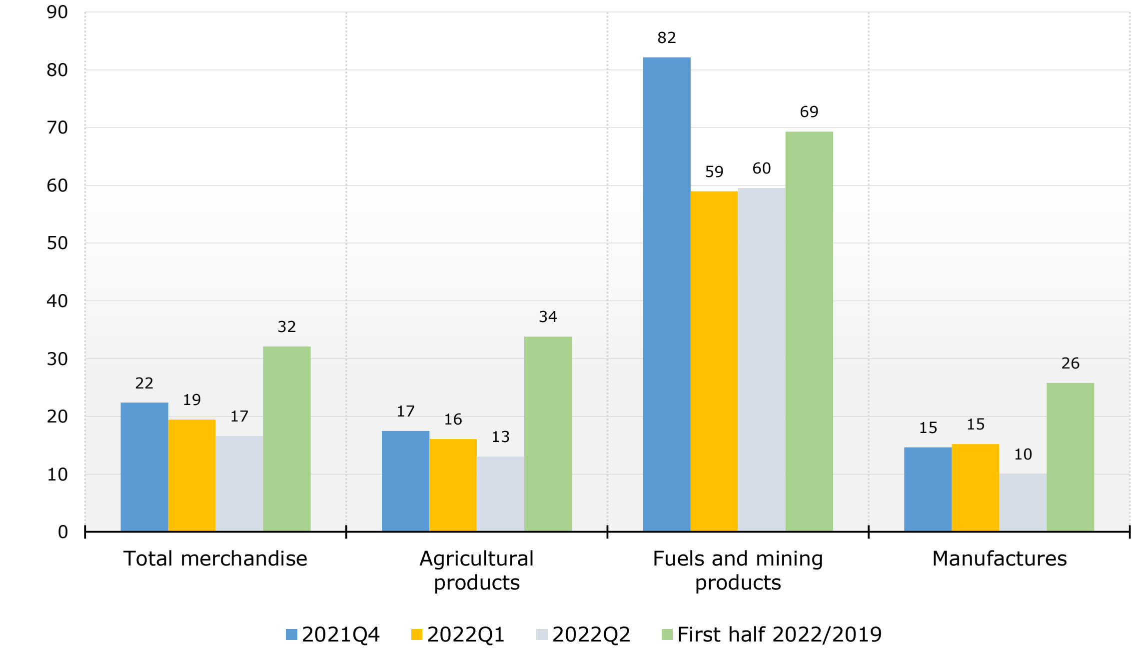
2.18. Chart 2.5 shows year-on-year growth in merchandise exports over the last three quarters. It also compares the value of exports in the first half of 2022 to exports in the first half of 2019, before the pandemic. Total merchandise trade was up 17% year-on-year in the second quarter of 2022, down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

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

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

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

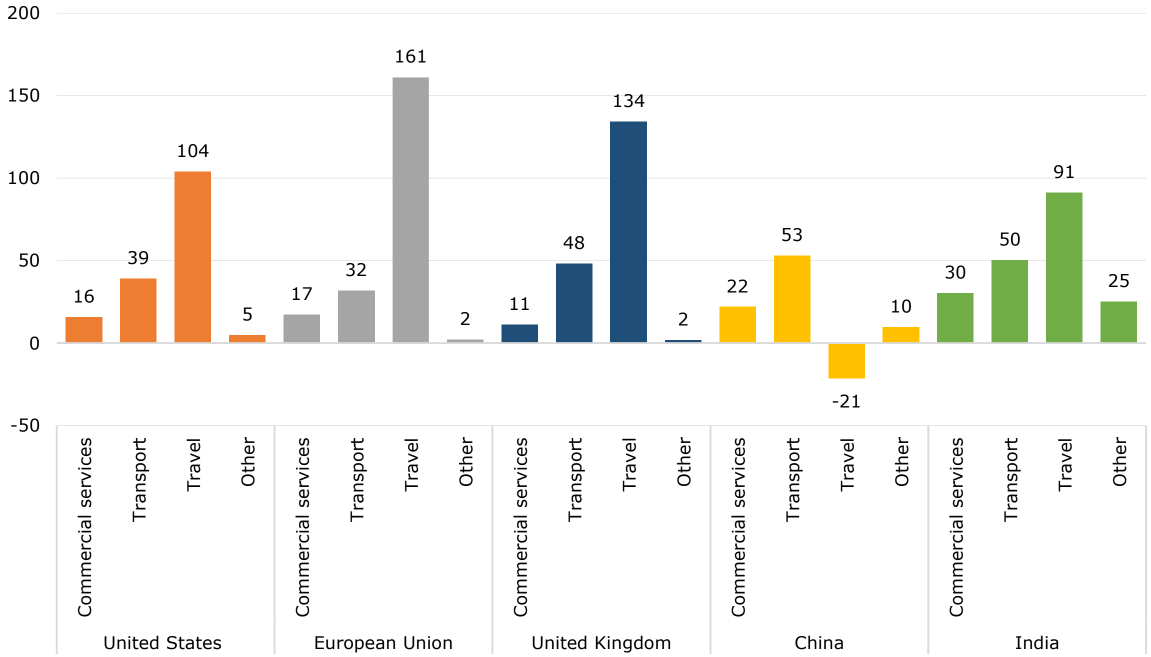
(% change in USD values)



Source: WTO Secretariat and UNCTAD.

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

(% change in USD terms)



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

Source: WTO Secretariat and national statistics.

2.3 Trade-related indicators

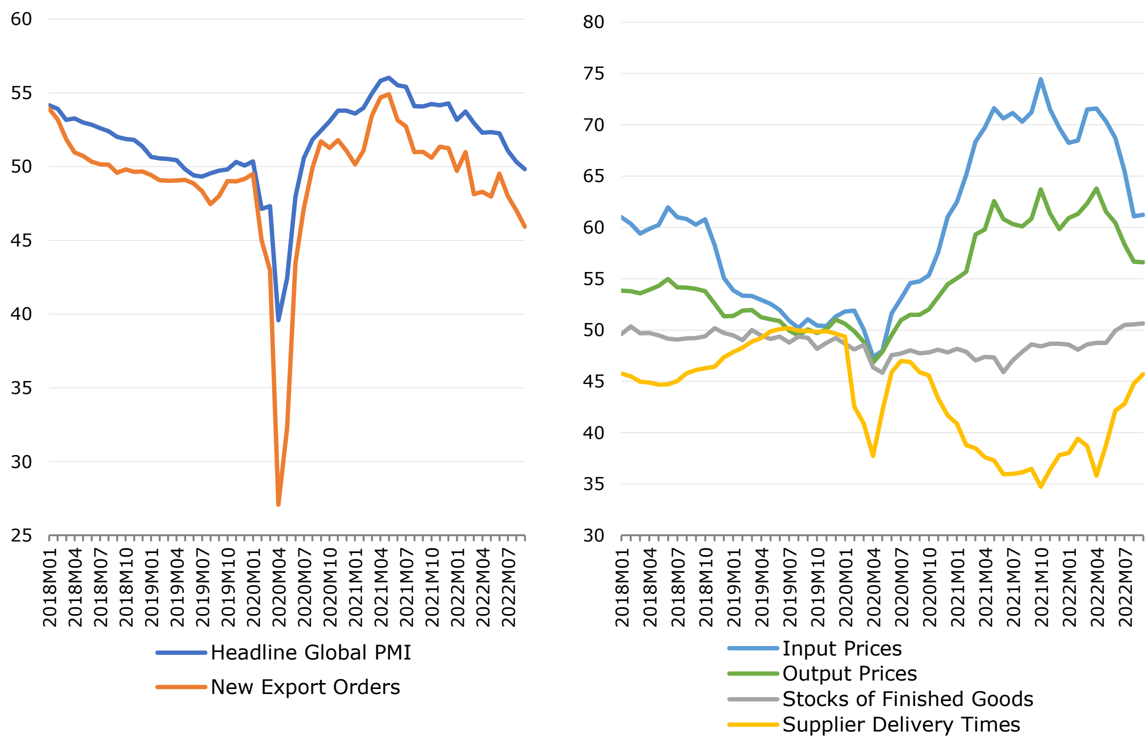
2.21. The WTO tracks a number of trade-related indicators to identify trends and turning points in merchandise and commercial services trade. Some of these are presented below to provide additional context to the forecast.

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

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

Chart 2.7 Global manufacturing PMIs, January 2018 to September 2022

(Diffusion index, base = 50)



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

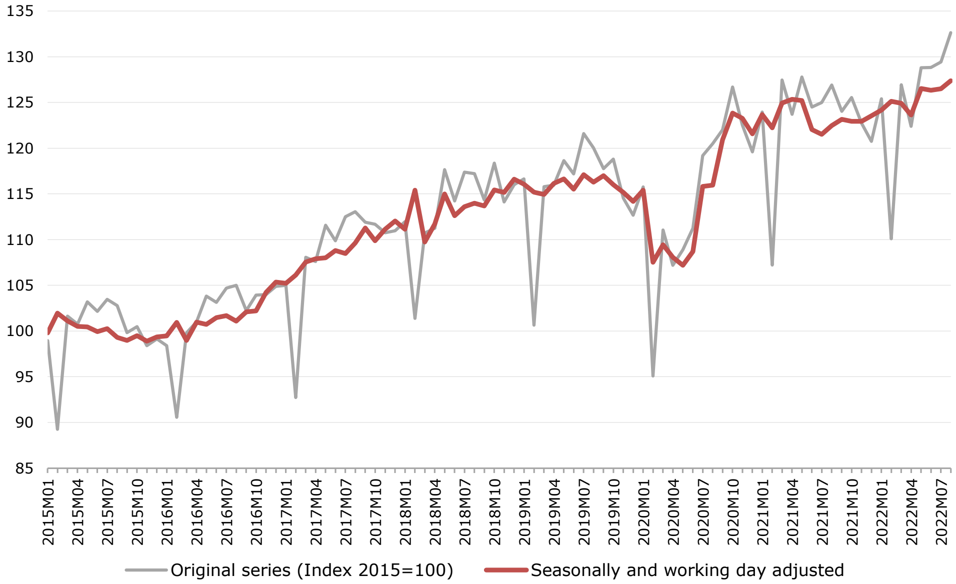
Source: J.P. Morgan and S&P Global.

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

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

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

(Index 2015=100)

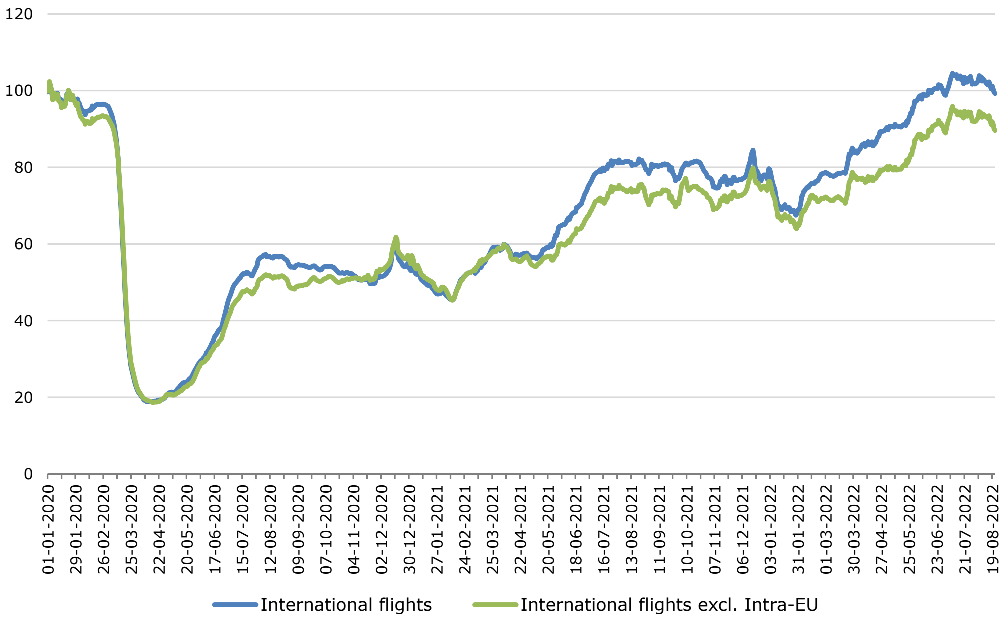


Note: The index is based on data gathered from 94 ports accounting for 64% of global container traffic.

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

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

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



Source: OpenSky Network and WTO Secretariat calculations.

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

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

Inflation in 2022 is the highest some countries have experienced in decades. In August 2022, year-on-year inflation in the United States was at 8.3% the highest since 1982. Year-on-year inflation 9.1% was in the euro area, and 9.9% in the United Kingdom. Similarly, developing, and emerging market economies recorded inflation of 10.1% (on annual basis) in the second quarter of 2022 and will face 10.8% in the third quarter – the highest since 1999. The IMF[a] forecasts a gradual decline of global headline inflation[b] from 8.7% in 2022 to 6.4% in 2023 and 4.1% in 2024.[c]

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

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

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

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

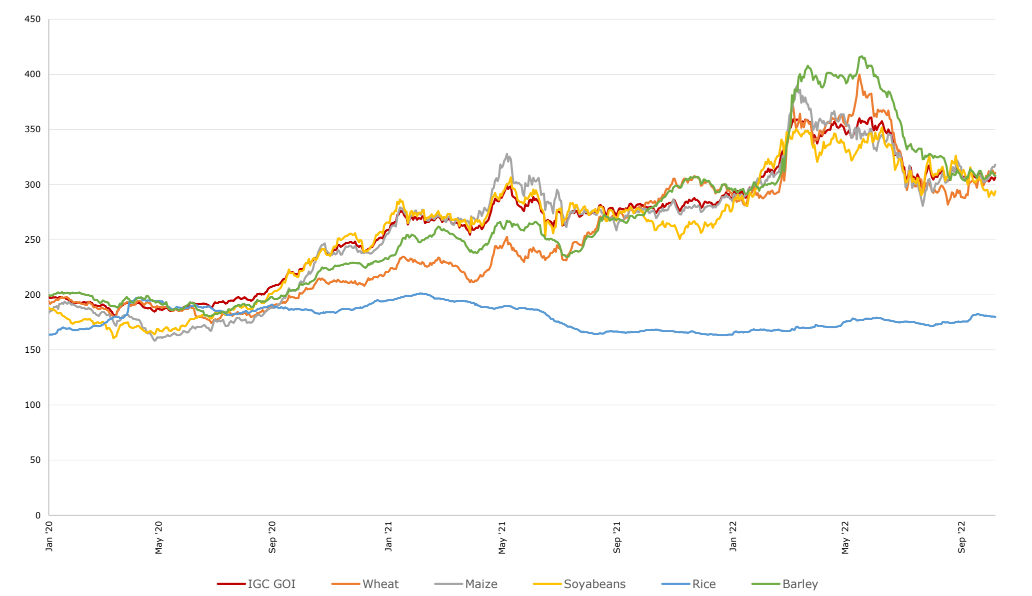
Emerging markets and developing economies are also expected to suffer higher inflation through 2023-24, compared to advanced economies, because of the market's lower responsiveness to monetary policy in these economies. Divergent monetary policy trajectories and the resulting market responses may cause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

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

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

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

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



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

Note: Jan 20 = 100.

Source: WTO Secretariat.

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

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

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

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

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

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

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

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

Source: WTO Secretariat.

3 TRADE AND TRADE-RELATED POLICY DEVELOPMENTS

3.1 Overview of trends identified during the review period

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

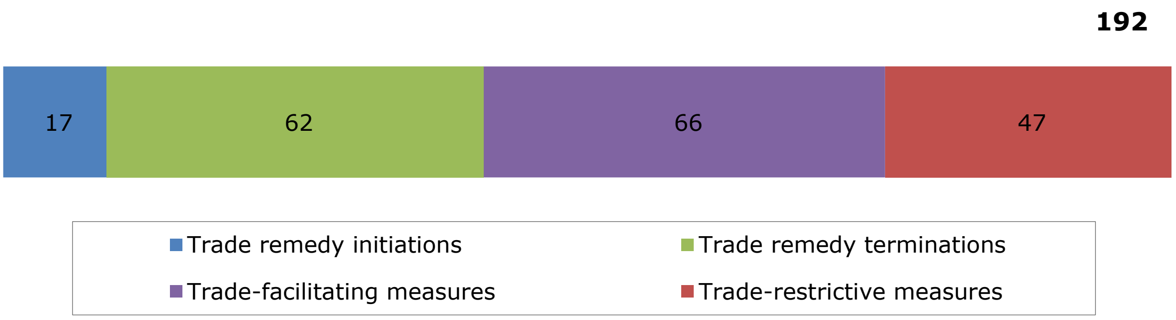
3.2. A separate Addendum to this Report contains Annexes 1, 2 and 3 on recorded trade and trade-related measures taken by G20 economies from 16 May to 15 October 2022. Services measures are analysed in Section 4 of this Report and are listed in Annex 4 of the Addendum. This separate Addendum lists new regular (non-COVID-19-related) measures recorded for G20 economies during the review period.

3.1.1 Regular trade measures

3.3. A total of 192 trade measures were recorded for the G20 economies during the review period (Chart 3.1).[1] This figure includes measures facilitating trade, trade remedy measures and other trade and trade-related measures, i.e., those that can be considered as trade-restrictive. It excludes measures taken in response to the COVID-19 pandemic.

3.4. Chart 3.2 illustrates the trade coverage estimates of the measures recorded for the G20 economies during the review period.[2] These figures also include measures on food, feed, and fertilizers.

Chart 3.1 Number of G20 measures introduced between mid-May and mid-October 2022

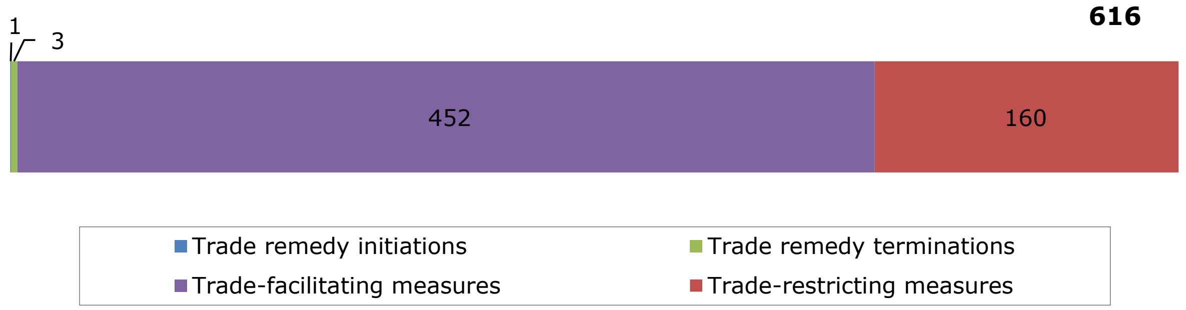


Source: WTO Secretariat.

[1] 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.

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

Chart 3.2 Trade coverage of G20 measures introduced between mid-May and mid-October 2022, in USD billion



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

Source: WTO Secretariat.

Measures facilitating trade

3.5. During the review period, 66 new trade facilitating measures were recorded for G20 economies (Table 3.1). This represents 34% of the total number of measures recorded. The monthly average of 13.2 trade-facilitating measures recorded for the period is the second-highest recorded since 2012.

Table 3.1 Measures facilitating trade (Annex 1)

Type of measure	2014	2015	2016	2017	2018	2019	2020	2021	Mid-Oct 21 to mid-May 22 (7 months)	Mid-May 22 to mid-Oct 22 (5 months)
Import	**71**	**65**	**60**	**59**	**70**	**54**	**49**	**72**	**92**	**51**
- Tariff	58	55	52	48	62	51	43	63	77	30
- Customs procedures	9	7	6	9	4	1	2	4	2	8
- Tax	0	2	2	2	3	1	3	1	1	1
- QRs	4	1	0	0	1	1	1	3	10	11
- Other	0	0	0	0	0	0	0	1	2	1
Export	**5**	**19**	**12**	**18**	**8**	**5**	**4**	**8**	**11**	**15**
- Duties	2	10	5	1	5	4	3	3	5	5
- QRs	1	2	1	1	0	0	0	4	6	9
- Other	2	7	6	16	3	1	1	1	0	1
Other	**1**	**2**	**2**	**0**	**0**	**1**	**1**	**1**	**0**	**0**
Total	**77**	**86**	**74**	**77**	**78**	**60**	**54**	**81**	**103**	**66**
Average per month	*6.4*	*7.2*	*6.2*	*6.4*	*6.5*	*5*	*4.5*	*6.8*	*14.7*	*13.2*

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

Source: WTO Secretariat.

3.6. Fifty-one import-facilitating measures (77% of all trade-facilitating measures) were introduced by G20 economies during the review period, of which 14 were related to food, feed, and fertilizers. The reduction or elimination of import tariffs continues to make up the bulk of trade-facilitating measures (Table 3.1).

3.7. On the export side, 15 measures were introduced (23% of all trade-facilitating measures) by G20 economies, mainly reductions of export duties and the elimination of quantitative restrictions. Out of these, five were related to the food, feed, and fertilizers.

3.8. The trade coverage of the import-facilitating measures introduced during the review period was estimated at USD 360.7 billion, i.e., 2.1% of the value of G20 merchandise imports (1.6% of world merchandise imports) (Table 3.2 and Chart 3.3).

Table 3.2 Share of trade covered by import-facilitating measures

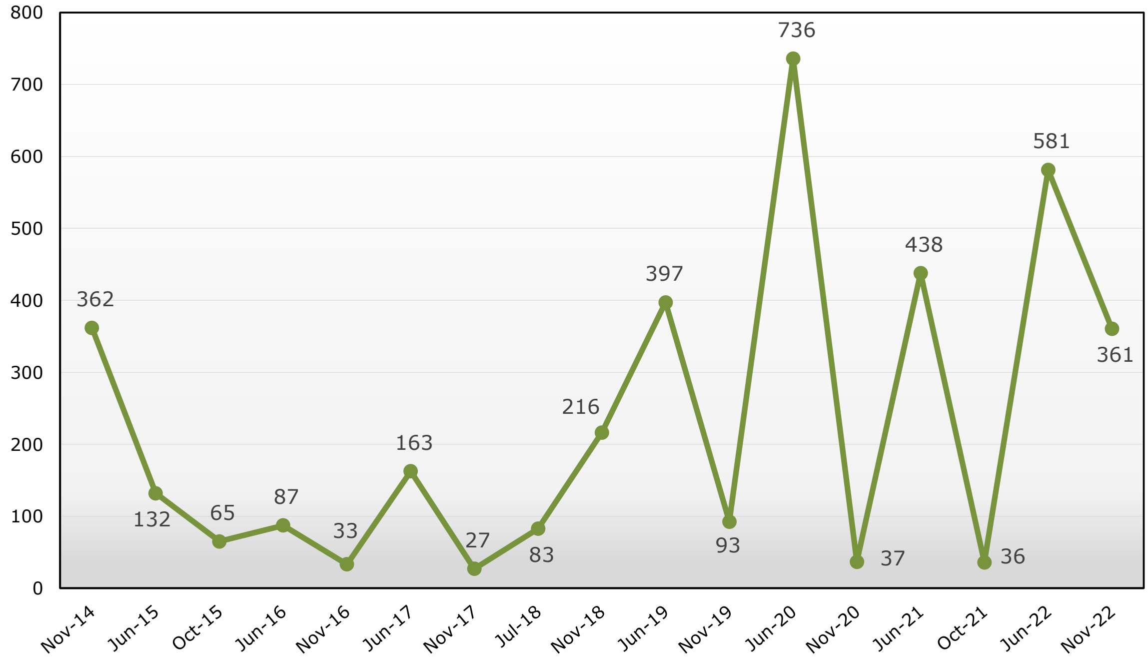
(%)

	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	Mid-Oct 21 to mid-May 22	Mid-May 22 to mid-Oct 22
Share in G20 imports	0.68	1.59	2.92	0.61	4.88	0.25	3.02	0.27	4.31	2.12
Share in total world imports	0.52	1.23	2.28	0.48	3.78	0.19	2.32	0.20	3.30	1.64

Source: WTO Secretariat and UN Comtrade database.

3.9. The HS chapters within which most of the import-facilitating measures were taken include precious stones and metals (HS 71) (16.5%), mineral fuels and oils (HS 27) (10.2%), machinery and mechanical appliances (HS 84) (7.8%), and electrical machinery and parts thereof (HS 85) (7.4%).

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



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

Source: WTO Secretariat.

3.10. The trade coverage of the export-facilitating measures introduced during the review period was estimated at USD 91.1 billion, i.e., 0.5% of the value of G20 merchandise exports (0.4% of world merchandise exports). The HS chapters within which most of the export-facilitating measures were taken include mineral oils and fuels (HS 27) (59.3%) and vegetable oils (HS 15) (29.7%).

3.11. Overall, the trade coverage of the import- and export facilitating measures implemented by G20 economies during the review period was estimated at USD 451.8 billion (Chart 3.2).

Trade remedy actions

3.12. During the period under review, 79 trade remedy actions (17 initiations and 62 terminations) were recorded for G20 economies (Annex 2 of the Addendum), accounting for 41% of all trade-related measures recorded in this Report. Anti-dumping continues to be the most frequent trade remedy action, accounting for 94% of all initiations and 87% of all terminations during the review period.

3.13. After reaching its highest peak in 2020, the average number of trade remedy initiations during the review period was down to 3.4 per month (Table 3.3 and Chart 3.4), the lowest since 2012. The monthly average of 12.4 trade remedy terminations recorded is also the lowest recorded since 2017.

Table 3.3 Trade remedy actions (Annex 2)

Type of measure	2014	2015	2016	2017	2018	2019	2020	2021	Mid-Oct 21 to mid-May 22 (7 months)	Mid-May 22 to mid-Oct 22 (5 months)
Initiations	**258**	**210**	**262**	**258**	**223**	**221**	**343**	**172**	**103**	**17**
- AD	208	175	226	213	168	174	279	153	80	16
- CVD	37	31	30	39	47	35	55	18	22	0
- SG	13	4	6	6	8	12	9	1	1	1
Average per month	*21.5*	*17.5*	*21.8*	*21.5*	*18.6*	*18.4*	*28.6*	*14.3*	*14.7*	*3.4*
Terminations	**171**	**151**	**142**	**113**	**185**	**155**	**180**	**250**	**134**	**62**
- AD	144	122	120	93	165	144	166	218	125	54
- CVD	21	19	15	10	20	6	11	21	9	7
- SG	6	10	7	10	0	5	3	11	0	1
Average per month	*14.3*	*12.6*	*11.8*	*9.4*	*15.4*	*12.9*	*15.0*	*20.8*	*19.1*	*12.4*

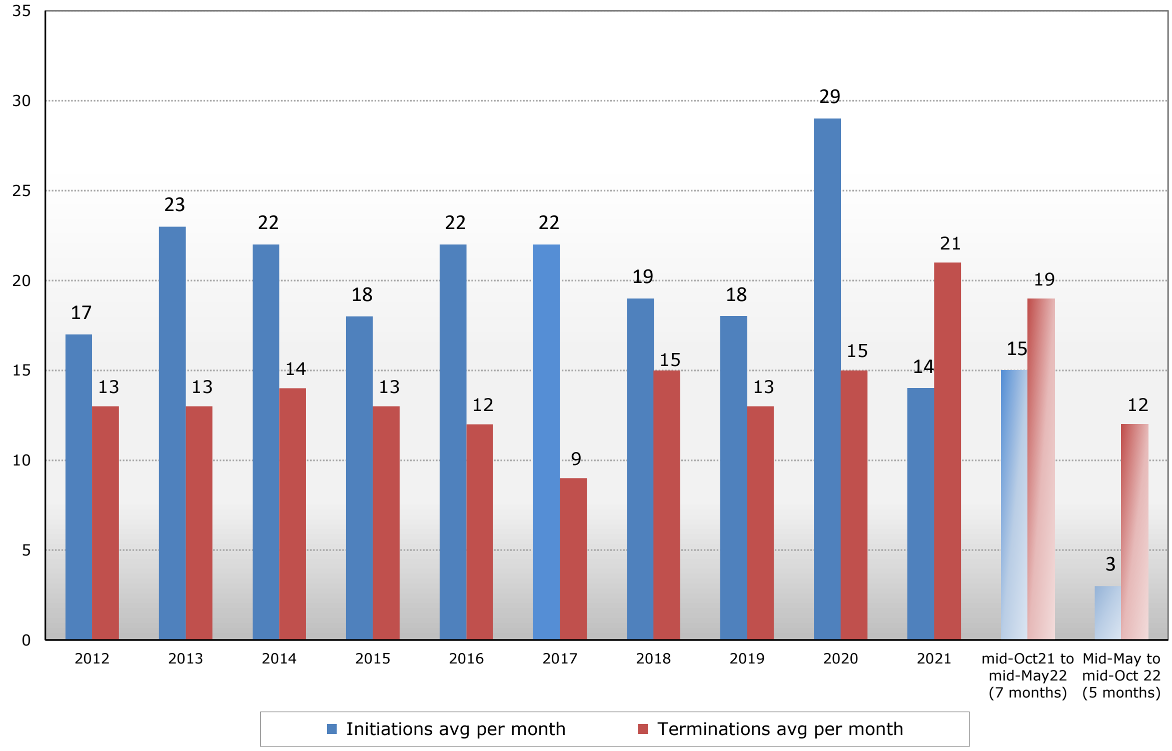
Note: The information on trade remedy actions for 2014 to 2021 is based on the semi-annual notifications. For the present review period, the information is also based on the responses and the verifications received directly from Members. The figure for safeguards for a specific year is the sum of the following: (i) all ongoing investigations terminated during that specific year, normally as of mid-October, without any measure; and (ii) all imposed measures expired during the course of that specific year, normally as of mid-October.

Source: WTO Secretariat.

3.14. Trade remedy actions taken during the review period included mainly initiations of investigations on man-made filaments (HS 54) (46.6%) and iron and steel (HS 72) (40.0%).

3.15. The trade coverage of all trade remedy investigations initiated during the review period was estimated at USD 0.5 billion, i.e., 0.003% of the value of G20 merchandise imports (0.002% of world imports) (Table 3.4). For terminations, the trade coverage was valued at USD 3.2 billion (0.02% of the value of G20 merchandise imports and 0.01% of world imports).

Chart 3.4 G20 trade remedy initiations and terminations, average number per month



Note: Values are rounded.

Source: WTO Secretariat.

Table 3.4 Share of trade covered by trade remedy initiations

(%)

	Mid-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	Mid-Oct 21 to mid-May 22	Mid-May 22 to mid-Oct 22
Share in G20 imports	0.24	0.43	0.18	0.14	0.11	0.16	0.23	0.11	0.08	0.02	0.003
Share in total world imports	0.19	0.33	0.14	0.11	0.09	0.13	0.18	0.08	0.06	0.02	0.002

Source: WTO Secretariat and UN Comtrade database.

Other trade and trade-related measures (trade-restrictive measures)

3.16. A total of 47 new trade-restrictive measures were recorded for G20 economies, representing 24% of the total number of measures recorded. On the import side, 25 measures were recorded (53% of all restrictions), of which 8 were implemented on food, feed, and fertilizers. Most of the import restrictions recorded during the review period were increases of import tariffs and stricter import procedures.

3.17. On the export side, 22 export restrictions (47% of all restrictions) were captured during the review period. Most of these are quantitative restrictions, followed by increases of export duties. Out of these, 16 export restrictions were introduced on food, feed, and fertilizers. The number of export restrictions recorded by the Trade Monitoring Exercise has increased significantly since 2020, first with restrictions referring to the COVID-19 pandemic (Section 3.1.2) and more recently in the context of the war in Ukraine and the food security crisis.

3.18. The monthly average of 9.4 trade-restrictive measures recorded during the review period is the highest since 2012 (Table 3.5).

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

Type of measure	2014	2015	2016	2017	2018	2019	2020	2021	Mid-Oct 21 to mid-May 22 (7 months)	Mid-May 22 to mid-Oct 22 (5 months)
Import	**44**	**61**	**41**	**36**	**60**	**45**	**39**	**30**	**19**	**25**
- Tariffs	29	36	24	20	46	27	19	11	11	14
- Customs procedures	12	19	13	12	2	4	6	14	1	6
- Taxes	2	3	2	1	3	3	2	0	0	0
- QRs	1	3	2	2	8	9	7	3	7	2
- Other	0	0	0	1	1	2	5	2	0	3
Export	**14**	**23**	**6**	**11**	**10**	**8**	**18**	**40**	**39**	**22**
- Duties	4	5	1	3	6	1	3	4	5	9
- QRs	5	4	1	4	2	2	5	12	26	10
- Other	5	14	4	4	2	5	10	24	8	3
Other	**9**	**7**	**8**	**12**	**0**	**1**	**0**	**5**	**0**	**0**
- Local content	9	7	5	10	0	0	0	4	0	0
- Other	0	0	3	2	0	1	0	1	0	0
Total	**67**	**91**	**55**	**59**	**70**	**54**	**57**	**75**	**58**	**47**
Average per month	*5.6*	*7.6*	*4.6*	*4.9*	*5.8*	*4.5*	*4.8*	*6.3*	*8.3*	*9.4*

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

Source: WTO Secretariat.

3.19. The trade coverage of the import-restrictive measures implemented during the review period was estimated at USD 113.7 billion, i.e., 0.7% of the value of G20 merchandise imports (0.5% of world imports) (Table 3.6 and Chart 3.5).

3.20. The import-restrictive measures recorded in Annex 3 cover a wide range of products. The main sectors affected (HS chapters) were precious metals and stones (HS 71) (51.4%), electrical machinery and parts thereof (HS 85) (11.2%), machinery and mechanical appliances (HS 84) (9.9%) and vegetable oils (HS 15) (9.5%).

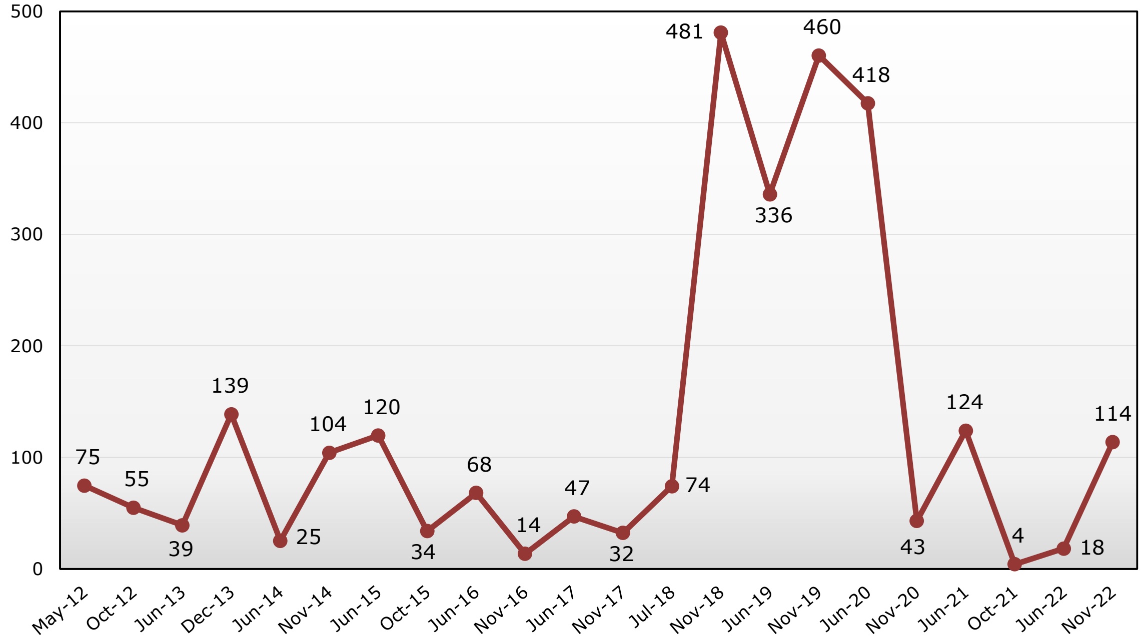
Table 3.6 Share of trade covered by import-restrictive measures (Annex 3)

(%)

	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	Mid-Oct 21 to mid-May 22	Mid-May to mid-Oct 22
Share in G20 imports	0.26	0.61	3.53	2.47	3.05	2.77	0.29	0.85	0.03	0.14	0.67
Share in total world imports	0.2	0.47	2.73	1.93	2.36	2.14	0.23	0.66	0.02	0.10	0.52

Source: WTO Secretariat and UN Comtrade database.

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



Source: WTO Secretariat.

3.21. The trade coverage of the export-restrictive measures implemented during the review period was estimated at USD 46.4 billion, i.e., 0.3% of the value of G20 merchandise exports (0.2% of world exports). The HS chapters within which most of the export-restrictive measures were taken include vegetable oils (HS 15) (64.2%), and cereals (HS 10) (20.7%).

3.22. Overall, the trade coverage of the import- and export-restrictive measures implemented by G20 economies during the review period was estimated at USD 160.1 billion (Chart 3.2).

Stockpile of import-restrictive measures

3.23. Estimating the roll-back of import-restrictive measures, and eventually the overall stockpile, is made complex by the fact that many temporary measures remain in place beyond the envisaged termination date. 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.[3]

3.24. Table 3.7 and Chart 3.6 show that the stockpile of G20 import restrictions in force has grown steadily since 2009 – in value terms and as a percentage of world imports – and that a significant increase in both took place from 2017 to 2018. This specific jump is largely explained by measures introduced on steel and aluminium, and by various tariff increases introduced as part of bilateral trade tensions. Global imports decreased substantially in 2020 compared to 2019. The decline was also reflected in G20 total imports and in the value of the G20 import restrictions in force. Global trade grew again in 2021, due to rising export and import prices as inflation became a global phenomenon. For 2022[4], the trade covered by G20 import restrictions in force was estimated at USD 1,916.5 billion, representing 11.6% of total G20 imports, or 8.7% of total world imports which is 0.4 percentage points up from 2021.

3.25. For this Report, no information was received from G20 economies about the termination of import restrictions.

[3] Only import measures where HS codes were available are included in the calculation.
[4] Tentative figures based on 2021 import data and measures recorded up to 15 October 2022.

Table 3.7 Cumulative trade coverage of G20 import-restrictive trade-related measures, 2014-21

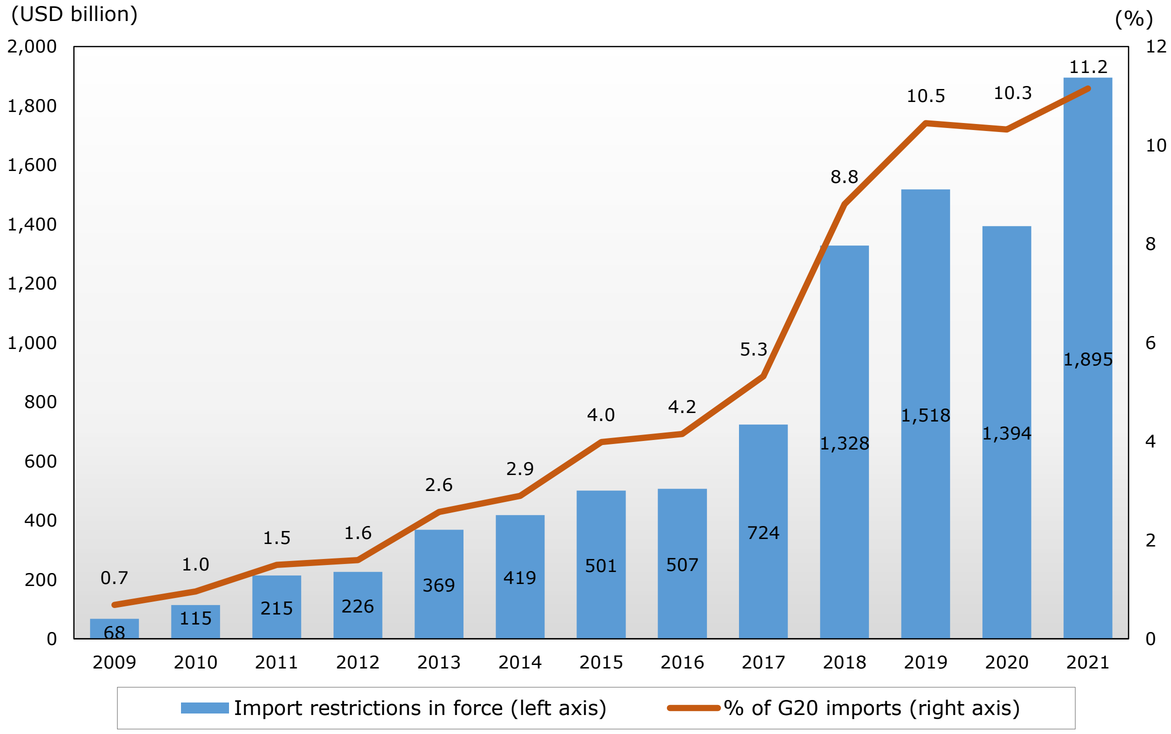
(USD billion, unless otherwise indicated)

	2014	2015	2016	2017	2018	2019	2020	2021
Total imports (world)	**18,654**	**16,360**	**15,812**	**17,587**	**19,402**	**18,883**	**17,638**	**22,001**
Total imports (G20)	**14,451**	**12,561**	**12,228**	**13,615**	**15,064**	**14,522**	**13,499**	**16,581**
Total G20 import restrictions in force	**419**	**501**	**507**	**724**	**1,328**	**1,518**	**1,394**	**1,895**
Share in G20 imports (%)	2.9	3.99	4.15	5.32	8.81	10.45	10.32	11.43
Share in world imports (%)	2.24	3.06	3.21	4.12	6.84	8.04	7.90	8.61
Total G20 import restrictions terminated	**32.69**	**0.19**	**0.02**	**3.88**	**5.44**	**13.12**	**n.a.**	**n.a.**
Share in G20 imports (%)	0.23	0.001	0.0001	0.03	0.04	0.09	n.a.	n.a.
Share in world imports (%)	0.18	0.001	0.0001	0.02	0.03	0.07	n.a.	n.a.

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

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

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



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

Source: WTO Secretariat.

3.1.2 COVID-19 trade and trade-related measures

3.26. Since the outbreak of the pandemic, G20 economies have introduced 201 trade and trade-related measures in the area of goods[5], of which 122 (61%) were of a trade-facilitating nature and 79 (39%) could be considered trade restrictive (Table 3.8 and Chart 3.7). During the review period four new COVID-19 measures on goods were communicated by three G20 economies (Brazil, European Union, and United Kingdom), mainly consisting of reductions of customs duties to mitigate the effects of supply shocks caused by the pandemic. Additional information communicated by Members consisted of terminations of existing measures or amendments of others.

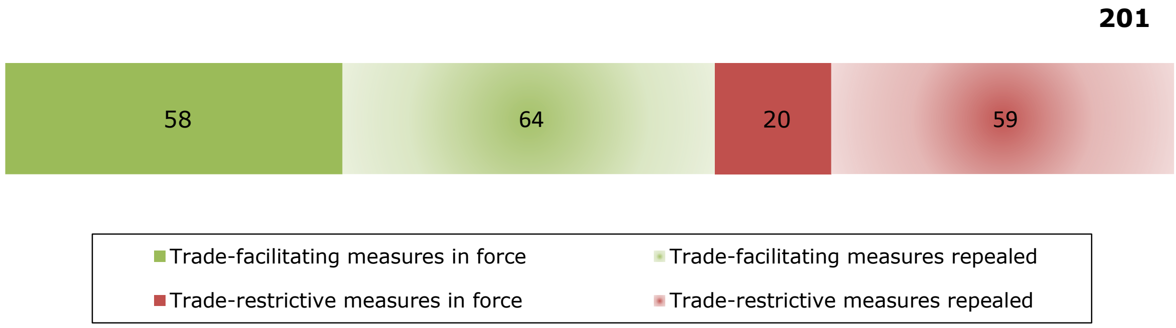
Table 3.8 Number of COVID-19 trade and trade-related measures since the outbreak

	Facilitating	Phased out	Restrictive	Phased out	Total
Import	88	49	1	0	89
Export	20	11	75	58	95
Other	14	4	3	1	17
Total	**122**	**64**	**79**	**59**	**201**

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

Source: WTO Secretariat.

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



Source: WTO Secretariat.

3.27. The trade coverage of the COVID-19 trade-facilitating measures implemented since the outbreak of the pandemic was estimated to amount to USD 297.7 billion, and that of trade-restrictive measures at USD 179.5 billion.[6]

3.28. About 72% of trade-facilitating measures taken by G20 economies to combat the effects of the pandemic are reductions or eliminations of import tariffs and import taxes. Certain G20 economies reduced their tariffs on a variety of goods such as personal protective equipment (PPE), sanitizers, disinfectants, medical equipment, and medicine/drugs. In many cases, tariff reductions were also accompanied by exemptions from VAT and other taxes. Extensions, often more than once, of some measures were implemented, while other measures have simply remained in force.

3.29. Out of the 79 restrictions recorded, 75 (95%) are export-related measures, 77% of which have been already phased out. By mid-October 2022, 17 export restrictions by G20 economies are still in place according to information either identified by the Secretariat or received from delegations and subsequently verified. G20 economies continued 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.

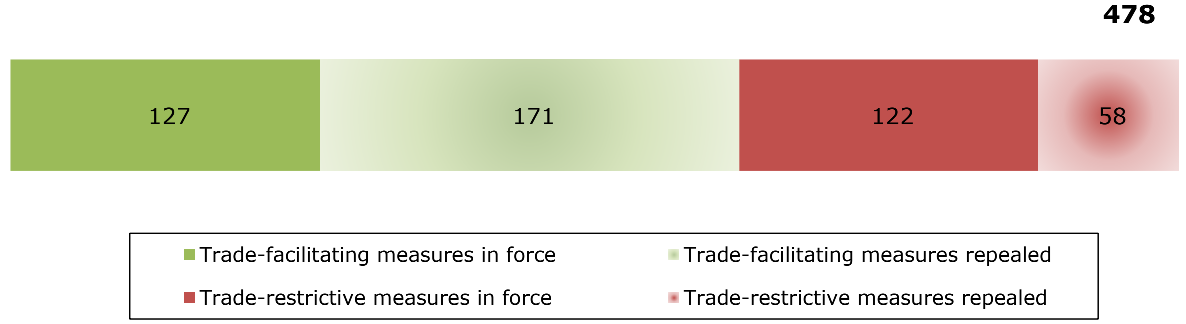
3.30. The trade coverage[7] of the restrictive measures implemented in response to the pandemic but which have been terminated as of mid-October 2022 amounted to USD 57.5 billion, and that of

[5] Measures implemented in the context of the pandemic can be viewed at: https://www.wto.org/english/tratop_e/covid19_e/covid19_e.htm.
[6] Including imports and exports and based on annual 2021 trade figures.
[7] Including imports and exports and based on annual 2021 trade figures.

trade-facilitating to USD 171.1 billion, according to WTO Secretariat estimates. 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.

3.31. Although the number of the pandemic-related trade restrictions that are still in place has decreased, their trade coverage remains important (20 import and export restrictions USD 122.0 billion) compared to that of trade-facilitating measures (58 import and export measures USD 126.6 billion) (Chart 3.8).

Chart 3.8 Trade coverage of G20 COVID-19 trade and trade-related measures, by mid-October 2022, in USD billion



Source: WTO Secretariat.

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

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

Export restrictions on food, feed and fertilizers

3.33. Since the outbreak of the war in late February 2022, the WTO Secretariat has identified 73 trade-restrictive measures introduced by 27 WTO Members and 5 Observers[8] on essential agricultural commodities, of which 66 applied to food and feed (90%) and 7 targeted fertilizer exports (10%). As of mid-October 2022, 20 of these export restrictions had been phased out, bringing the number of restrictions in force to 53[9], of which, 23 were export restrictions maintained by G20 economies.

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

3.35. Export restrictions during the first months of the conflict, often directly referred to the war, while later, reference was made to domestic supply security and price stability. This may suggest that the most recent export restrictions were introduced in response to a growing food crisis, which has been exacerbated by the war in Ukraine. These restrictive measures may also have been introduced to protect domestic markets in the context of the multiple interconnected crises derived

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

[9] Implemented by 23 Members and 5 Observers: Afghanistan, Algeria, Argentina, Azerbaijan, Bangladesh, Belarus, Plurinational State of Bolivia, Burkina Faso, China, Georgia, Ghana, Hungary, India, Indonesia, Kazakhstan, State of Kuwait, Lebanon, Malaysia, Morocco, Pakistan, Russian Federation, Serbia, Tanzania, Tunisia, Türkiye, Uganda, Ukraine, and Viet Nam.

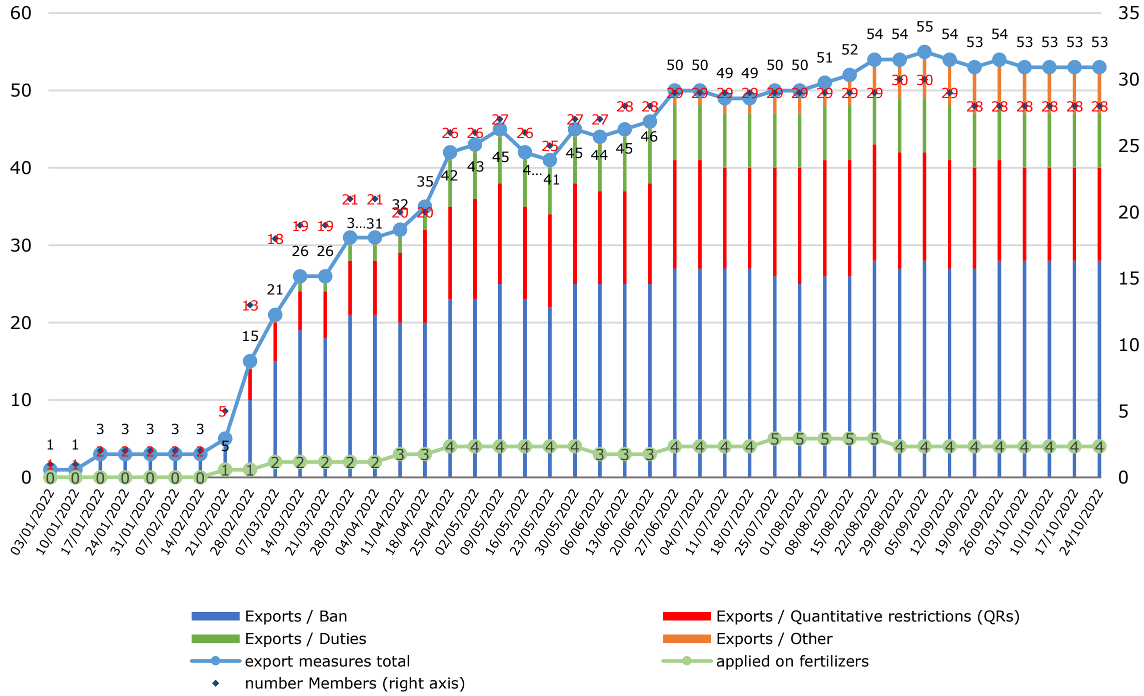
from decreasing agricultural yields due to the adverse effect of climate change, the COVID-19 pandemic, rising energy costs and inflation.

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

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

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

(Number)



Source: WTO Secretariat.

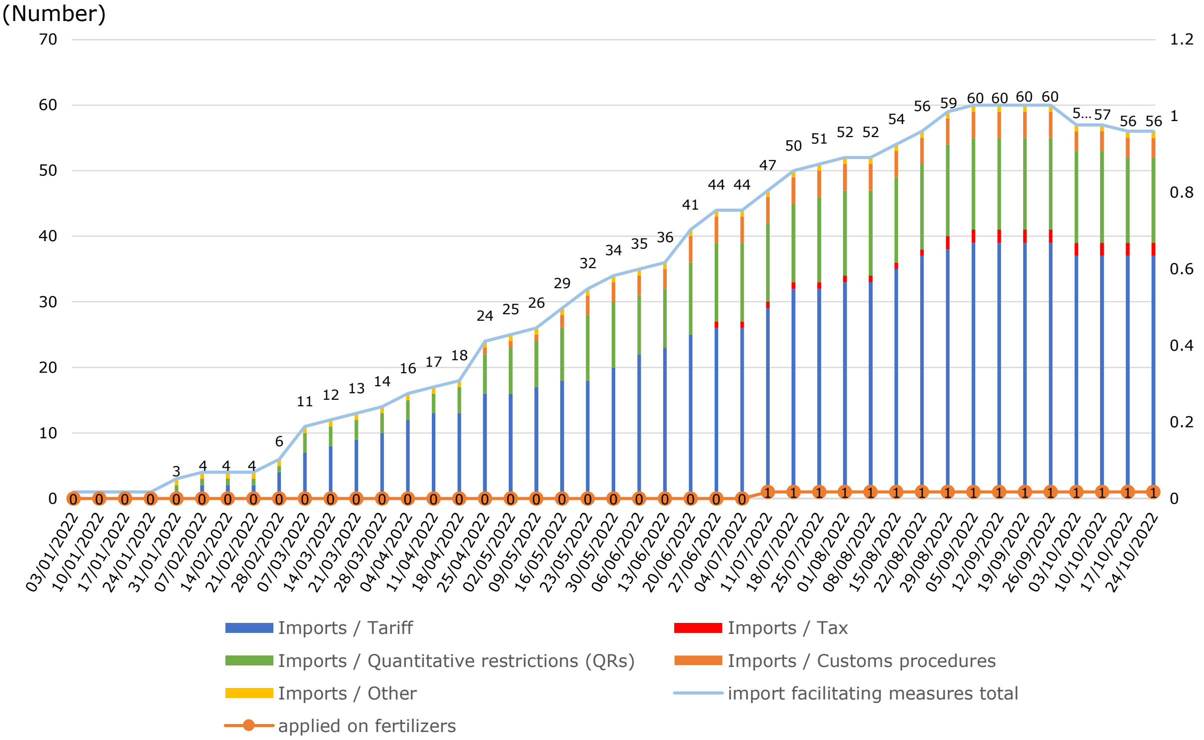
Import-facilitating measures on food, feed, and fertilizers

3.38. Since the beginning of the war in Ukraine, import-facilitating measures on food, feed, and fertilizers have been also introduced. As of mid-October 2022, 59 import-facilitating measures on various agricultural products were recorded for 57 Members and 3 Observers.[10]

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

[10] Azerbaijan, Armenia, Bangladesh, Brazil, Botswana, Colombia, Costa Rica, Dominican Republic, Egypt, El Salvador, Eswatini, European Union (EU (27) and its member States are counted separately), Guatemala, India, Iraq, Kazakhstan, Kyrgyz Republic, Kenya, Republic of Korea, Lesotho, Malaysia, Mali, Mexico, Namibia, Pakistan, Philippines, Russian Federation, South Africa, Chinese Taipei, Türkiye, Ukraine, and Viet Nam.

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



Source: WTO Secretariat.

3.2 Trade remedies[11]

3.40. This Section provides an assessment of trends in the use of trade remedies by G20 economies during the following periods: July-December 2020, January-June 2021, July-December 2021 and January-June 2022.[12]

Anti-dumping measures[13]

3.41. The most recent data (January-June 2022) show a decrease of 32% in the number of anti-dumping investigations initiated by G20 economies compared to the previous six-month period (July-December 2021). On a 12-month basis, the number of initiations also decreased, from 213 in July 2021-June 2022 to 104 in July 2021-June 2021 (Table 3.9).

3.42. 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, 308 anti-dumping measures were applied by G20 economies (Table 3.9). However, as it can take up to 18 months for an anti-dumping investigation to be concluded, these measures may not necessarily be the result of initiations in the same period.

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

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

G20 economy	July-Dec 2020		Jan-June 2021		July-Dec 2021		Jan-June 2022	
	Initiations	Measures	Initiations	Measures	Initiations	Measures	Initiations	Measures
Argentina	2	7	6	6	9	4	5	3
Australia	3	0	6	2	0	6	3	0
Brazil	6	0	7	3	4	3	0	0
Canada	18	2	5	9	1	11	2	3
China	4	8	0	22	0	0	1	2
European Union[a]	10	5	5	1	6	10	1	4
India	35	6	25	26	5	23	8	3
Indonesia	0	0	0	0	0	0	0	2
Japan	0	1	2	1	0	0	0	0
Korea, Republic of	3	1	4	0	3	3	5	1
Mexico	3	4	0	2	4	4	1	1
Russian Federation[b]	2	2	2	3	0	1	0	2
Saudi Arabia, Kingdom of[c]	0	0	3	1	9	0	0	0
South Africa[d]	4	0	6	0	7	0	1	4
Türkiye	1	2	8	0	1	1	0	2
United Kingdom	0	0	1	0	0	0	1	0
United States	31	9	11	50	13	32	14	10
Total	**122**	**47**	**91**	**126**	**62**	**98**	**42**	**37**

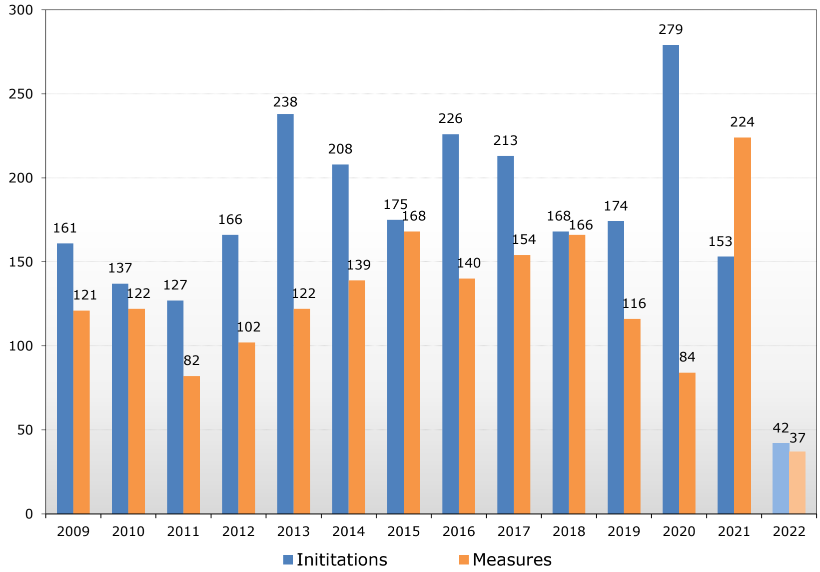
a The European Union is counted as one (27 member States after 31 January 2020).
b Notified by the Russian Federation, but investigations are initiated by the Eurasian Economic Union on behalf of all of its members, i.e., Armenia, Kyrgyz Republic, Kazakhstan, and Belarus (non-WTO Member) collectively.
c Notified by all Gulf Cooperation Council (GCC) member States collectively, as investigations are initiated by the GCC regional investigating authority on behalf of all GCC member States.
d Notified by South Africa, but investigations are initiated at the level of the Southern African Customs Union (SACU), i.e., also in respect of Botswana, Eswatini, Lesotho and Namibia.

Source: WTO Secretariat.

3.43. In terms of products affected by initiations of anti-dumping investigations, while in the first and third periods examined most initiations focused on products in the metals, chemicals, and plastics and rubber sectors, in the second period examined, investigations were also initiated with respect to the animal products and machinery sectors. In the most recent period, the concentration on metals, chemicals and plastics and rubber sectors recurred. However, a considerable number of investigations were also initiated with respect to foodstuff products. Chart 3.11 provides an overview of anti-dumping activities of G20 economies since the first monitoring report was circulated in September 2009.

3.44. As of 14 October 2022, three G20 economies had notified anti-dumping actions referring to the COVID-19 pandemic. In this regard, Argentina suspended anti-dumping measures on syringes and parenteral solutions; Brazil suspended anti-dumping measures on syringes and vacuum plastic tubes for blood collection; and Mexico suspended anti-dumping measures on textured polyester filament.

Chart 3.11 Number of G20 anti-dumping investigations and measures applied, 2009-22



Note: Data for 2022 cover January to June.

Source: WTO Secretariat.

Countervailing measures

3.45. The most recent data (January-June 2022) show a significant increase in the number of countervailing duty investigations initiated by G20 economies compared to the previous six-month period (July-December 2021). On a 12-month basis, however, the number of initiations decreased to 23 in July 2021-June 2022 from 40 in July 2020-June 2021 (Table 3.10).

3.46. Over the 24 months of the review period, 59 countervailing measures were applied by G20 economies. As it can take up to 18 months for a countervailing investigation to be concluded, these measures may not necessarily be the result of initiations in the same period.

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

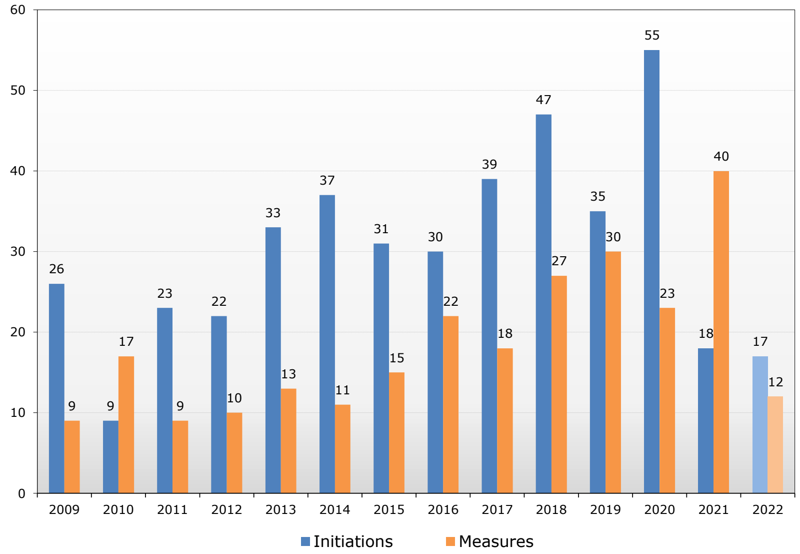
G20 economy	July-Dec 2020		Jan-June 2021		July-Dec 2021		Jan-June 2022	
	Initiations	Measures	Initiations	Measures	Initiations	Measures	Initiations	Measures
Australia	1	0	1	0	0	2	0	0
Brazil	0	0	2	0	0	0	0	0
Canada	3	1	1	1	0	3	2	1
China	4	1	0	1	0	0	0	0
European Union[a]	2	0	2	0	1	1	1	3
India	5	0	0	1	0	1	3	3
United Kingdom	0	0	0	0	0	0	2	0
United States	13	5	6	20	5	10	9	5
Total	**28**	**7**	**12**	**23**	**6**	**17**	**17**	**12**

a The European Union is counted as one (27 member States after 31 January 2020).

Source: WTO Secretariat.

3.47. Chart 3.12, reflecting annual figures for 2009-2021, plus first-half of 2022, shows an upward trend in countervailing initiations with some fluctuation. Following its peak in 2020, the number of countervailing initiations decreased to the lowest that has been observed since 2010.

Chart 3.12 Number of G20 countervailing investigations and measures applied, 2009-22



Note: Data for 2022 cover January to June.

Source: WTO Secretariat.

3.48. Various sectors were the subject of countervailing investigations, with metal products accounting for 28 of the 63 initiations by G20 economies over the 24 months examined. Eighteen of these investigations concerned steel products. Over the 24 months examined, the chemicals and plastics sectors accounted for the second- and third-largest numbers of investigations, with 14 and 4 initiations, respectively.

3.49. As of 14 October 2022, no G20 member had notified to the WTO any countervailing duty action referring to the COVID-19 pandemic.

Safeguard measures

3.50. Safeguard measures are temporary measures applied in response to increased imports of goods that are causing serious injury, and are applied on products from all sources, i.e., all exporting countries/customs territories.[14] Safeguard measures are subject to different rules and timelines than anti-dumping and countervailing measures and are, therefore, not directly comparable to these other types of trade remedies. Table 3.11 shows the G20 economies that initiated investigations and applied measures.

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

G20 economy	July-Dec2020		Jan-June2021		July-Dec2021		Jan-June2022	
	Initiations	Measures	Initiations	Measures	Initiations	Measures	Initiations	Measures
India	0	0	0	0	0	0	0	1
Indonesia	3	1	0	3	0	3	0	0
South Africa[a]	0	0	0	1	0	1	0	0
Türkiye	0	1	0	1	1	1	0	0
United States	1	0	0	0	0	0	0	0
Total	**4**	**2**	**0**	**5**	**1**	**5**	**0**	**1**

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

Source: WTO Secretariat.

3.51. Chart 3.13 shows the number of initiations of safeguard investigations and application of measures by the G20 economies on a calendar-year basis. In the latest period (January-June 2022),

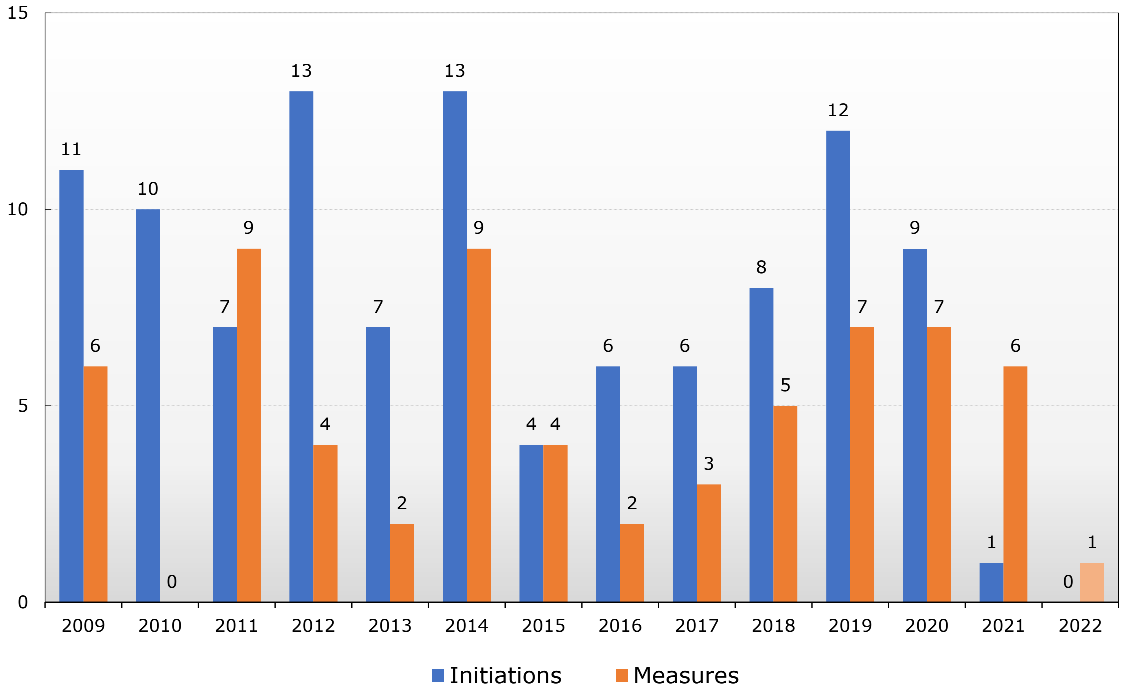
[14] With the exception of exporting Members covered by the special and differential treatment provided for developing countries in Article 9.1 of the Agreement on Safeguards.

there were no initiations and only one application of a measure.[15] While 2022 in this Chart covers the January-June period, these numbers were the same as of 11 October 2022 and are the lowest since 1995.[16] A G20 economy has launched at least one safeguard initiation every year since 1995. In terms of application of measures, there have been some years when the application by G20 economies was zero, the latest of which was 2010. But the level of zero initiations and one application is a record low level, and reflects a sharp decline, coming only three years after the most recent peak of 12 initiations in 2019.

3.52. In terms of products, the only investigation initiated in 2021 concerned metals.

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

Chart 3.13 Number of G20 initiations of safeguard investigations and measures applied, 2009-22



Note: Data for 2022 cover January to June.

Source: WTO Secretariat.

3.3 Sanitary and phytosanitary (SPS) measures[17]

3.54. This report covers SPS transparency-related matters, including specific trade concerns (STCs) discussed in SPS Committee meetings, for the period from 1 April to 30 September 2022. In addition, new SPS measures taken in response to the COVID-19 pandemic are reported in a separate section covering the period from 1 February 2020 to 30 September 2022. The last section refers to the impact of the war in Ukraine on the work of the SPS Committee.

[15] Since an investigation initiated in a specific year can result in application of a measure in the subsequent year, the number of initiations can be smaller than the number of applications in in a given year.

[16] The smallest number observed was in 1995 with two initiations, one by the Republic of Korea and one by the United States.

[17] Information presented in this Section was retrieved from the ePing SPS&TBT Platform. For more information see the Trade Concerns Database (for STCs) and WTO documents G/SPS/GEN/804/Rev.14 and G/SPS/GEN/204/Rev.22, 28 February 2022.

SPS activities/developments (1 April-30 September 2022)

SPS notifications

3.55. Under the SPS Agreement, WTO Members are obliged to provide an advance notification of intention to introduce new or modified SPS measures[18], or to notify immediately when emergency measures are imposed. The main objective of complying with the SPS notification obligations is to inform other Members about new or modified regulations that may significantly affect trade. Therefore, an increase in the number of notifications does not automatically imply greater protectionism but can be due to enhanced transparency and/or a greater number of legitimate health-protection measures.

3.56. G20 economies rank among the main "notifiers" of SPS measures, accounting for 65% of total regular notifications (including revisions and addenda), and 36% of emergency notifications, submitted to the WTO from 1 January 1995 until 30 September 2022. During the review period, from 1 April to 30 September 2022, Japan, Brazil, the European Union, Canada, the United States and the Kingdom of Saudi Arabia were among the top 10 Members who submitted the most notifications to the WTO, accounting for 82% of all G20 notifications submitted in that period.

3.57. 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 304 regular notifications (including revisions and excluding addenda) submitted by G20 economies during the review period, 53% indicated that an international standard, guideline, or recommendation was relevant to the notified measure, out of which 78% referred to Codex, 14% to the International Plant Protection Convention (IPPC) and 8% to the World Organisation for Animal Health (WOAH, founded as OIE). Of these, 59% indicated that the measure was in conformity with, or substantially the same as, the existing international standard, guideline, or recommendation. Of the remaining 41% of notifications, which indicated that the measure was not in conformity with the existing international standard, Codex was the relevant international standard-setting body identified in all notifications. Regarding emergency notifications, all measures notified by G20 economies during the review period indicated conformity with a relevant international standard, guideline or recommendation, and mostly with the WOAH animal health standard (Chart 3.14).

3.58. The objective most frequently identified in the SPS measures notified by G20 economies during the review period was food safety, accounting for 65% of all notifications.[19] Food safety is a particularly important objective in the G20 economies' notifications, as most notified measures are related to maximum residue limits (MRLs) or pesticides, and in many notifications these keywords, as well as the food safety keyword, were identified.

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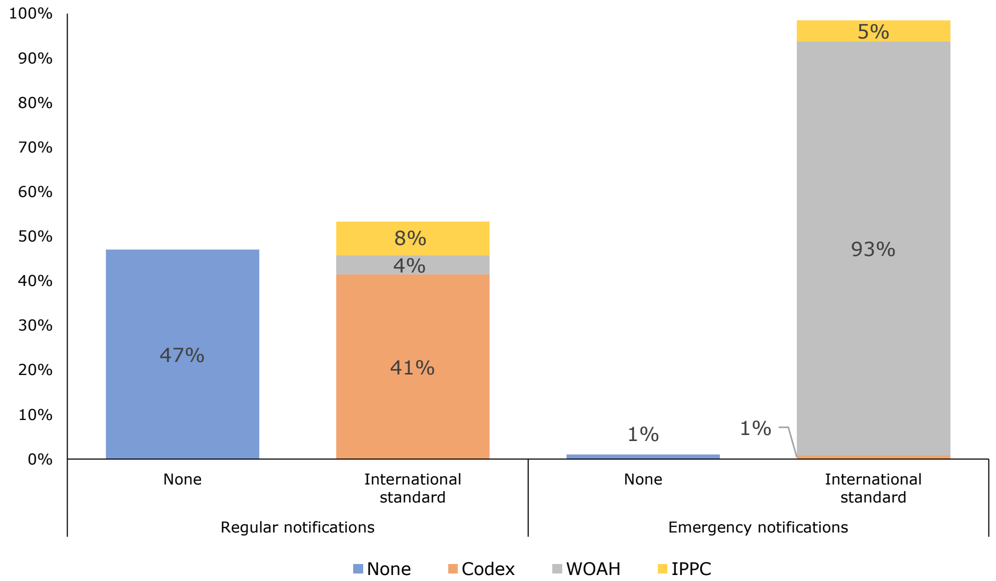
[18] Transparency obligations are contained in Article 7 and Annex B of the SPS Agreement. Annex B requires that Members notify measures whose content is not substantially the same as that of an international standard, guideline or recommendation, and when the measure may have a significant effect on 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), recommend that Members also notify measures which are based on the relevant international standards, and that they apply a broad interpretation of effects on trade. WTO Document G/SPS/7/Rev.4 will be updated to reflect relevant changes in the set of tools available for Members to search for SPS related information, through the ePing SPS&TBT Platform.

[19] 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) protect territory from other damages from pests. Members are required to identify the purpose of the measure in their notifications. It is not uncommon for more than one objective to be identified for a measure.

Chart 3.14 Regular and emergency SPS notifications and international standards (including revisions and excluding addenda)



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

Source: WTO Secretariat.

Specific trade concerns (STCs)

3.59. Measures maintained by G20 economies are often discussed in the SPS Committee. Out of 51 STCs raised or discussed in the June 2022 SPS Committee meeting[20], 48 involved G20 economies. Of these, three were raised for the first time as per Table 3.12.

Table 3.12 New STCs on G20 measures raised in the June 2022 SPS Committee meeting

ID	New STCs
543	EU recognition of Mexico as a country with WOAH negligible BSE risk – Concerns by Mexico (supported by Brazil)
545	EU regulation on animal health/official certificates for animal origin foods – Concerns by China
546	EU notifications of matrine and oxymatrine in honey – Concerns by China

Source: WTO Secretariat.

3.60. The STCs raised in the SPS Committee on measures maintained by G20 economies account for 78% of all STCs raised since 1995. Moreover, the top 10 WTO Members most frequently responding to an STC are all G20 economies.

3.61. Out of the 48 STCs raised in the review period involving a G20 economy, 37 related to measures maintained by G20 economies (Table 3.13). Three of these were raised for the first time, and the remaining had been discussed in previous Committee meetings. Among the latter, 8 addressed persistent problems that have been discussed 10 times or more.[21]

[20] WTO document G/SPS/R/107, 16 September 2022. See also the Trade Concerns Database.
[21] These STCs are 193, 382, 392, 406, 431, 439, 441 and 448.

Table 3.13 STCs with participation of G20 economies raised in the June 2022 SPS Committee meeting

Meetings	Total STCs raised with participation of G20 economies		G-20 economies raising		G-20 economies supporting		G-20 economies responding	
	New	Previously raised	New	Previously raised	New	Previously raised	New	Previously raised
June 2022	6	42	6	38	2	12	3	34

Source: WTO Secretariat.

3.62. Out of the 37 STCs related to measures maintained by G20 economies discussed in the review period, 14 related to measures implemented on food safety, 6 on animal health, 5 on plant health, and 12 related to other types of concerns.

COVID-19 related SPS measures (1 February 2020-30 September 2022)

3.63. The three standard-setting bodies recognized by the SPS Agreement (Codex, WOAH, 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 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.

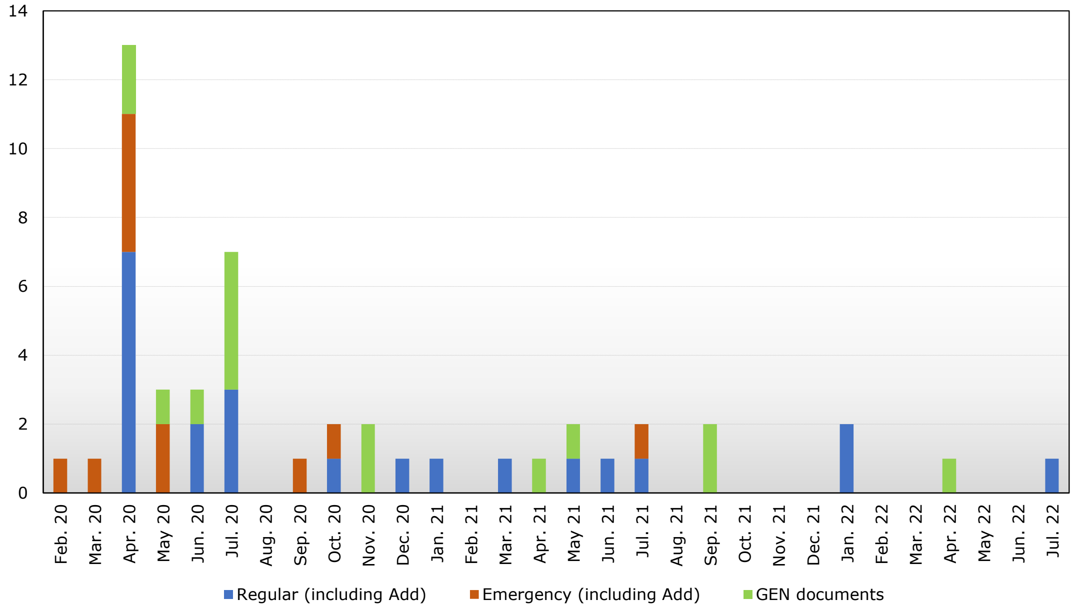
3.64. From 1 February 2020 until 30 September 2022, 31 WTO Members submitted a total of 127 notifications and communications related to measures taken in the wake of the COVID-19 pandemic. Besides, 40 WTO Members, including G20 economies, submitted 1 communication (GEN document) requesting the suspension of the processes and entry into force of reductions of MRLs for plant protection products in light of the COVID-19 pandemic. Of the 127 notifications and communications, 51 (excluding corrigenda) were submitted by 15 G20 economies. Eleven measures were notified as regular notifications; additionally, 12 addenda to regular measures were notified, mainly extending the implementation or the comment period of previously notified measures. Nine measures[22] were notified as emergency measures and three measures were submitted through a GEN document.[23] The last document submitted by a G20 economy during the reporting period was received on 8 July 2022.

3.65. Initially, these measures mainly related to restrictions on animal imports and/or transit from affected areas (some of these measures have already been lifted) and increased certification requirements. Since the beginning of April 2020, most notifications and communications submitted relate to measures taken to facilitate trade by allowing temporary flexibility for control authorities to use electronically certificates for checks, in view of the COVID-19 situation. 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 3.15.

[22] Two subsequent addenda were notified to withdraw the restrictions imposed in some of the emergency measures.
[23] The remaining communications submitted refer to COVID-19 documents relevant to the Committee meetings.

Chart 3.15 Number of SPS notifications (regular, emergency and addenda) and GEN documents related to COVID-19 submitted by G20 economies by month

(Number)



Source: WTO Secretariat.

Developments in the context of the war in Ukraine

3.66. At the June 2022 SPS Committee meeting, Ukraine, and several other Members (Australia, Canada, European Union, Japan, Republic of Korea, Norway, Switzerland, United Kingdom, and United States) strongly condemned the Russian Federation's military action in Ukraine, noting that it constituted a violation of international law and the UN Charter.[24] The Russian Federation noted that politically motivated trade restrictive actions imposed by several WTO Members had led to serious damage to the global economy, including rises in world food and fertilizer prices and disruptions in global food supply, and underlined that the matter was not within the scope of the WTO.

Box 3.1 Enhancing monitoring and transparency in SPS and TBT

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

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

The ePing SPS&TBT Platform helps users (governments, economic operators, and civil society) browse SPS or TBT notifications and trade concerns raised by Members in the WTO SPS and TBT committees using parameters such as product, notifying Member and objective. Additionally, information on enquiry points and notification authorities can be located in the new Platform. Registered users can also sign up to receive daily or weekly email alerts and to follow notifications on products and/or markets of interest and reach out to national and international counterparts. This also facilitates dialogue among the public and private sectors to discuss and share information on notifications of concern, allowing stakeholders to address potential trade problems at an early stage of the regulatory lifecycle.

Source: WTO Secretariat.

[24] WTO document G/SPS/R/107, 26 September 2022.

3.4 Technical barriers to trade (TBT)

Notifications submitted to the TBT Committee

3.67. G20 economies remain the most frequent users of the TBT Committee's transparency mechanisms, having submitted 45% of all TBT notifications since 1995.[25] 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 WTO Members about new or changed regulations that may significantly affect trade.

3.68. From 1 May to 1 October 2022 (the review period), G20 economies submitted 327 new regular notifications of TBT measures[26] out of 958 by all WTO Members (34%). The top five notifying G20 economies – covering more than 75% of all G20 notifications – were Brazil (76), United States (70), European Union (42), Republic of Korea (36) and China (23). The majority of these 327 notifications indicated as their main objective the protection of human health or safety. Various other notifications related to the protection of the environment, consumer protection, labelling, prevention of deceptive practices and quality requirements.

3.69. G20 economies submitted 297 follow-up notifications (i.e., addenda, corrigenda, or supplements) during the review period, around 40% of the total submitted by all WTO Members. The continuing and frequent use of follow-up notifications is a positive development, as it increases transparency and predictability across the measures' regulatory lifecycle.

Measures discussed in the TBT Committee (STCs)[27]

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

3.71. A total of 80 (13 new and 67 previously raised) STCs were discussed at the TBT Committee meeting in July 2022, of which 68 (12 new) concerned measures maintained by G20 economies (Table 3.14). At the same meeting, eight persistent STCs, that were previously raised more than 16 times in Committee meetings, were discussed. All these concerned measures by G20 economies (Table 3.15).

3.72. Overall, the number of new and previously raised STCs has grown every year. This suggests an increasing use of the TBT Committee as a forum to raise and resolve trade concerns non-litigiously. In 2022, for example, WTO Members have already reviewed 160 STCs, including 33 new concerns, one of the highest numbers on record since 1995. The next TBT Committee meeting will be held in November 2022.

Table 3.14 New STCs concerning G20 measures raised in the July 2022 TBT Committee meeting

New STCs on G20 measures
China: Key Points and Judgment Principles of GMP Inspection for Cosmetics; Safety and Technical Standards for Cosmetics (2022); Technical Guidelines for Children's Cosmetics (ID 749) (raised by United States)
European Union: Proposal for a Directive of the European Parliament and of the Council amending Directive 2014/53/EU on the harmonization of the laws of the Member States relating to the making available on the market of radio equipment (COM/2021/547 final) (ID 750) (raised by United States)
China: Measures for the Administration of Data Security in the Field of Industrial and Information Technology Sectors (For Trial Implementation) (ID 751) (raised by Japan)

[25] Since 1995, over 34,138 new (regular) notifications of TBT measures have been submitted by WTO Members, 14,048 (41%) of which were submitted by G20 economies. Overall, 46,879 new (regular) and follow-up (revisions, addenda, etc.) notifications of TBT measures have been submitted, 20,858 (45%) of which were notified by G20 economies.

[26] Source: ePing SPS&TBT platform.

[27] This Section takes account of the STCs raised in the TBT Committee meeting of 12-15 July 2022.

New STCs on G20 measures
European Union: Draft Commission delegated regulation amending regulation (EU) 2019/2144 of the European Parliament and of the Council to take into account technical progress and regulatory developments concerning amendments to vehicle regulations adopted in the context of the United Nations Economic Commission for Europe (ID 752) (raised by China)
Canada: Proposed Prohibition of Certain Toxic Substances Regulations, 2022 (ID 753) (raised by Japan)
South Africa: Regulations Relating to the Labelling of Alcoholic Beverages – revision (ID 754) (raised by European Union, Mexico, and United States)
United States: Energy conservation program: energy conservation standards for room air conditioners (ID 755) (raised by China)
France: Order specifying the substances contained in mineral oils the use of which is prohibited in packaging and in printed matter distributed to the public (ID 756) (raised by Republic of Korea)
India: Alert Regarding Implementation of QR Code for Refrigerators (ID 757) (raised by Republic of Korea)
France: Decree on the minimum proportion of re-used packaging to be placed on the market annually (ID 758) (raised by United States)
India: Amendment to notification on mandatory testing and certification of telecommunication systems (MTCTE) – Phase III & IV (ID 760) (raised by China)
China: Recommended National Standard (GB/T) for Office Devices (Information security technology – Security specification for office devices) (ID 761) (raised by China)

Source: WTO Secretariat.

Table 3.15 Persistent STCs concerning G20 measures raised in the July 2022 TBT Committee meeting

Persistent STCs – G20 measures
India: Pneumatic tyres and tubes for automotive vehicles (ID 133) raised 40 times since 2006
China: Requirements for information security products, including, *inter alia*, the Office of State Commercial Cryptography Administration (OSCCA) 1999 Regulation on commercial encryption products and its on-going revision and the Multi-Level Protection Scheme (MLPS) (ID 294) raised 35 times since 2011
European Union: Draft Implementing Regulations amending Regulation (EC) No. 607/2009 laying down detailed rules for the application of Council Regulation (EC) No 479/2008 as regards protected designations of origin and geographical indications, traditional terms, labelling and presentation of certain wine sector products (ID 345) raised 30 times since 2012
European Union: Hazard-based approach to plant protection products and setting of import tolerances (ID 393) raised 28 times since 2013
China: Regulations for the Supervision and Administration of Medical Devices (Order No. 650 of the State Council) (ID 428) raised 25 times since 2014
Indonesia: Halal Product Assurance Law No. 33 of 2014 and its implementing regulations (ID 502) raised 20 times since 2016
India: Mandatory Certification for Steel Products (ID 224) raised 18 times since 2009
China: Cybersecurity Law (ID 526) raised 17 times since 2017

Source: WTO Secretariat.

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

3.73. Since the beginning of the pandemic, 46% of all notifications submitted by WTO Members in response to COVID-19 were under the TBT Agreement.[28] Thirty-four WTO Members submitted 225 COVID-19-related TBT notifications to the WTO, of which 138 (61%) were submitted by G20 economies. These notifications mostly dealt with extraordinary and temporary streamlining of certification and related procedures, and the introduction of new regulatory requirements for medical goods. In addition, WTO Members made references to the COVID-19 pandemic in 55 STCs in the TBT Committee. The vast majority of these STCs were not linked to COVID-19-related notifications or medical goods. Instead, reference to COVID-19 in these discussions was linked to the significant impact of the pandemic on Members' economies.

3.74. Overall, 66% of these notifications were submitted under the emergency/urgent notification provisions of the TBT Agreement.[29] Under these provisions, WTO Members can adopt measures

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

[29] TBT Agreement, Articles 2.10.1 and 5.7.1.

immediately without first notifying the measure in draft form or providing the usual 60-days comment period (or allowing the usual 6-month transition period prior to entry into force). The majority (about 70%) of these notifications cover regulations on medical goods, such as PPE, pharmaceutical products, medical devices, other medical supplies, and other products.[30]

3.75. The Ministerial Declaration at MC12 on the WTO Response to the COVID-19 Pandemic and Preparedness for Future Pandemics encouraged regulatory cooperation and instructed the TBT Committee to continue analysing lessons learned and challenges encountered during the pandemic.[31]

3.76. In addition, the WTO Secretariat issued an information note[32] called "Overview of discussions in the Committee on Technical Barriers to Trade relating to COVID-19" that explores how WTO Members used regulatory trade measures in responding to the COVID-19 pandemic.

3.77. A WTO Member recently notified to the TBT Committee a few extraordinary and temporary regulatory measures taken in the context of the monkeypox outbreak.[33]

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

Box 3.2 TBT and cybersecurity

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

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

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

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

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

[31] WTO document WT/L/1142, 22 June 2022, paras. 11 and 24.

[32] The note will be published on the WTO website: WTO | WTO reports on COVID-19 and world trade.

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

Members subject to these STCs tended to highlight that cybersecurity rules were needed to, *inter alia*, address national security issues and ensure consumer privacy.

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

Source: WTO Secretariat.

Developments in the context of the war in Ukraine

3.79. At the TBT Committee meeting of 12-15 July 2022, Ukraine and several other Members expressed their strong opposition to the war in Ukraine, with several Members noting that it violated international law and the UN Charter. The Russian Federation called on Members to refrain from interventions on issues and events which were outside the scope of the TBT Committee and the WTO itself.[34]

3.80. In June 2022, Switzerland notified to the TBT Committee a temporary facilitating measure to the foodstuff information requirements "due to the situation in Ukraine". The measure was introduced due to the urgent need to replace sunflower oil and lecithin produced from Ukrainian sunflowers with other oils and lecithin, which made it impossible to label the final products correctly.[35]

3.81. In the same context, Ukraine also notified to the TBT Committee a number of regulatory measures, including on conformity assessments, labelling, the relaxation of certain regulatory requirements and the postponement of entry into force of certain regulatory measures.[36]

3.5 Trade concerns raised in other WTO bodies[37]

3.82. During the review period, several trade issues and concerns were raised by Members in formal meetings of various WTO bodies regarding measures implemented by G20 economies. This Section provides a factual overview of such concerns raised between mid-May and mid-October 2022.[38] The trade concerns covered in this Section have neither the status nor the procedural framework of the STCs raised in the SPS and TBT Committees. Nevertheless, they provide an up-to-date insight into which trade issues are being discussed by Members across the WTO and, as such, add important transparency. This Section does not reproduce the full substantive description of the trade concerns outlined by WTO Members but provides a reference to the formal meeting(s) where a particular issue featured. A full account and context of the concerns can be found in the formal meeting records of the respective WTO bodies. The list of concerns and issues mentioned in this Section is not exhaustive and is limited to measures implemented by G20 economies.

3.83. At the *Council for Trade in Goods* (CTG) meeting on 7-8 July 2022[39], one new trade concern was raised on Australia's investigation and review of anti-dumping duties on A4 copy paper (raised by Indonesia) and several previously raised concerns were discussed at the same meeting, (Table 3.16).

[34] WTO document G/TBT/M/87, 30 September 2022.
[35] WTO document G/TBT/N/CHE/269, 3 June 2022.
[36] WTO documents G/TBT/N/UKR/162/Add.1, 28 March 2022; G/TBT/N/UKR/227, 13 September 2022; G/TBT/N/UKR/218, 9 August 2022; G/TBT/N/UKR/217, 4 August 2022; and G/TBT/N/UKR/199/Add.1, 19 September 2022.
[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.
[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 G/C/M/143, 6 October 2022.

Table 3.16 Previously raised trade concerns at the CTG meeting

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

Source: WTO Secretariat.

3.84. At the 7 October 2022 *Committee on Import Licensing* (CIL) meeting[40], new and persistent trade concerns were raised (Table 3.17).

[40] WTO document G/LIC/M/55 (forthcoming).

Table 3.17 Trade concerns raised at the CIL meeting

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

Source: WTO Secretariat.

1.12. At the 11 October 2022 meeting of the *Committee of Participants on the Expansion of Trade in Information Technology Products* (ITA Committee)[41] an implementation issue was reiterated concerning Indonesia, calling for aligning the tariff treatment of certain ICT products classified under subheading 8517.62 with Indonesia's WTO commitments (raised by United States, European Union, and Japan).

1.13. At the meetings of the *Committee on Agriculture* (CoA) on 27-28 June and 14-15 September 2022[42], several questions and concerns were raised with respect to G20 economies' individual notifications and on Specific Implementation Matters (SIMs) under Article 18.6. During the period concerned, 138 questions were discussed regarding policies by G20 economies, including on individual notifications (80 questions), Article 18.6 matters (54 questions covering 33 SIMs) and on overdue notifications (4 questions). Additional details regarding these questions and concerns can be found in Section 3.6 of this Report.

1.14. At the meeting of the *Trade-Related Investment Measures* (TRIMs) *Committee* on 12 October 2022[43], new or returning issues were raised (Table 3.18).

Table 3.18 Concerns raised at the TRIMs Committee

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

a WTO documents G/TRIMS/Q/IDN/5, 14 May 2019; G/TRIMS/Q/IDN/6, 13 March 2020; G/TRIMS/Q/IDN/7, 7 June 2020; and G/TRIMS/Q/IDN/8, 17 July 2020.
b WTO document G/TRIMS/Q/IDN/9, 28 September 2021.
c WTO document G/TRIMS/Q/IDN/10, 28 September 2021.
d WTO document G/TRIMS/Q/IND/1, 28 September 2021.

Source: WTO Secretariat.

3.85. At the meeting of the *Council for Trade in Services (CTS)* held on 16 May 2022[44], concerns were reiterated about: (i) cybersecurity measures of China (raised by Japan and United States); (ii) 5G-related measures of Australia (raised by China); (iii) measures of the United States regarding Chinese services and service suppliers (raised by China); (iv) measures of India regarding Chinese services and service suppliers (raised by China); (v) measures of the Kingdom of Saudi Arabia on localization of customer services (raised by United States). Concerns were also raised about services

[41] WTO document G/IT/M/77 (forthcoming).
[42] Questions raised under the review process in the CoA meetings on 27-28 June and 14-15 September 2022 are available in WTO document G/AG/W/221 and G/AG/W/222. The questions, responses and follow-up comments are available through the Q&A section of the Agriculture Information Management System. Viewed at: http://agims.wto.org/.
[43] WTO document TRIMS/M/52 (forthcoming).
[44] WTO document S/C/M/149, 24 June 2022.

trade measures of Australia, Canada, the European Union, Japan, the Republic of Korea, the United Kingdom, and the United States (raised by Russian Federation).

3.86. At the *Committee on Trade and Development* (CTD) meeting held on 20 June 2022[45], a communication from India and South Africa titled "Global Electronic Commerce for Inclusive Development"[46] was included in the agenda. This communication states, *inter alia*, that the digital divide between developed and developing countries is a matter of considerable concern, and that the existing e-commerce moratorium on electronic transmissions limits the ability of developing countries to impose tariffs on the growing imports of electronic transmissions. At the 19 October 2021 meeting of the CTD's Dedicated Session on Small Economies[47], Members agreed to a draft text submitted by the SVE Group, for a Ministerial Decision at MC12 on the Work Programme on Small Economies. The Ministerial Decision on the Work Programme on Small Economies that was adopted at MC12 is contained in documents WT/MIN(22)/25 and WT/L/1136 of 22 June 2022.

3.87. The above Section provides evidence of the numerous trade concerns raised in the various WTO bodies between mid-May and mid-October 2022 on measures implemented by G20 economies. For most of the review period, WTO Committees and Councils continued to hold meetings in hybrid format due to COVID-19 restrictions. 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. The decision to raise a trade concern is systemically important because it brings added transparency. In addition, it demonstrates that Members are utilizing the WTO Committees to engage trading partners on real or potential areas of trade friction or, as has been witnessed during the latter part of the review period, more general issues of concern. The repetition and non-resolution of the same trade concerns and issues in various WTO bodies remains a source of concern, as it has been reiterated in previous Reports. The Secretariat will continue to closely monitor developments in this area.

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

Box 3.3 Environment-related trade concerns are increasing in number

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

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

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

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

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

At various CTG meetings, 46 Members[b] from different regions and at various levels of development have expressed their concern over several measures. These include the European Green Deal in itself, and the measures deriving from it: the Carbon Border Adjustment Measure (CBAM); the implementation of non-tariff

[45] WTO document WT/COMTD/M/118, 15 July 2022.
[46] WTO document WT/COMTD/W/264, 9 November 2021.
[47] WTO document WT/COMTD/SE/M/42, 24 November 2021.

barriers on agricultural products; the Regulation on Classification, Labelling and Packaging of Substances and Mixtures (CLP Regulation); the Renewable Energy Directive; and the Deforestation Free Commodities Policy. The European Union, for its part, has explained its measures against the backdrop of the existential threats posed by climate change and biodiversity loss, and the need for a comprehensive plan to make the EU economy and EU society ready to meet its Paris Agreement goals, and to facilitate the resetting of its economic policy to better respond to these challenges.

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

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

a The complete record of these discussions can be found in the Minutes of CTG meetings from April 2019-July 2022, contained in WTO documents G/C/M/134-143.
b Argentina; Armenia; Australia; the Kingdom of Bahrain; the Plurinational State of Bolivia; Brazil; Canada; China; Chile; Colombia; Costa Rica; Côte d'Ivoire; Dominican Republic; Ecuador; Egypt; El Salvador; Guatemala; Honduras; India; Indonesia; Jamaica; Japan; Kazakhstan; the Republic of Korea; the Kyrgyz Republic; Malaysia,; Mexico; Mozambique; New Zealand; Nicaragua; Nigeria; Panama; Pakistan; Paraguay; Peru; the Philippines; Qatar; the Russian Federation; the Kingdom of Saudi Arabia; Senegal; Sri Lanka; Chinese Taipei; Thailand; Türkiye; the United States; and Uruguay.
c Argentina; Brazil; India; Indonesia; and Japan.
d Japan and Thailand.

Source: WTO Secretariat.

3.6 Policy developments in agriculture

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

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

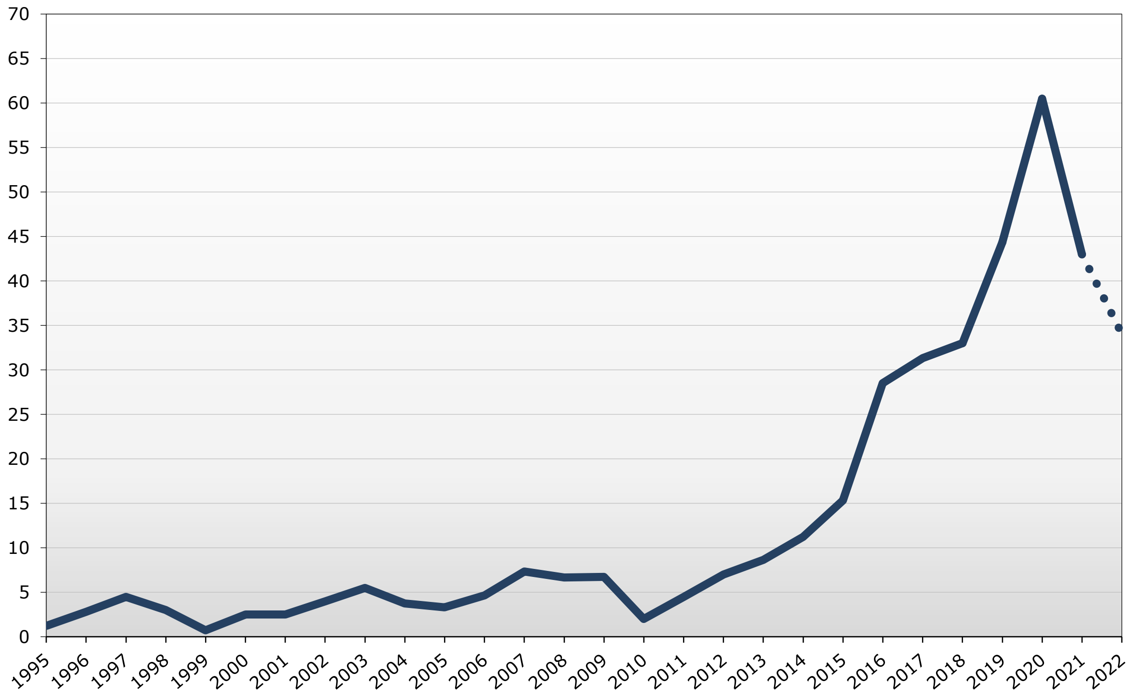
3.91. During the period under review, the CoA held two regular meetings, on 27-28 June and 14-15 September 2022. Out of a total of 202 questions raised during the period under review, 72% (138 questions) related to policies implemented by G20 economies, including questions on SIMs under Article 18.6, individual notifications, and overdue notifications. Most questions concerning individual notifications by G20 economies were related to domestic support notifications (over 65%) followed by questions on market access (26%). For matters under Article 18.6 (SIMs), 61% of those related to domestic support policies while 24% concerned policies affecting market access. The remaining SIMs targeted matters related to export prohibitions and restrictions on foodstuffs (15%).

3.92. In total, 12 G20 economies (counting the European Union as one) received 54 questions on 33 SIMs under Article 18.6 in the meetings covered by this report.[48] The annual average number of questions raised under Article 18.6 concerning G20 policies has been on the rise since 2011, reaching

[48] Argentina, Canada, China, European Union, India, Indonesia, Japan, Mexico, Kingdom of Saudi Arabia, Türkiye, United Kingdom, and United States.

an all-time high average of 61 questions per meeting in 2020. These numbers declined in 2021 and 2022 but remained higher than the average number of questions raised in the CoA meetings during 1995 to 2018, with an average of 43 and 34 questions per meeting, respectively (Chart 3.16). These numbers include questions that were repeated over more than one meeting.

Chart 3.16 Average number of questions posed to G20 members on SIMs under Article 18.6, 1995-2022



Note: 2022 covers questions raised at the March, June and September 2022 CoA meetings.

Source: WTO Secretariat.

3.93. Out of the 33 SIMs raised in relation to policies implemented by G20 economies during the period under review, more than half (59%) were discussed for the first time. Of these, around 68% related to domestic support programmes. The remaining SIMs concerned policies prohibiting or restricting exports of foodstuffs and those potentially affecting market access.

3.94. WTO Members sought clarifications on domestic support policies implemented by G20 economies targeting specific sectors or products, including cereals (China's grain reserve and India's other support for rice), cotton (China's blue box support to cotton), dairy (Japan's stockpiles of skim milk powder), wine (Canada's financial support for wine production) and biofuels (US support to biofuel producers). A couple of SIMs concerned domestic support policies with an environmental component (US funding for environmental action and US Climate Smart Agriculture and Forestry strategy). There were also questions raised on broader and systemic domestic support matters in relation to G20 economies (the European Union's new common agriculture policy (CAP); India's price support; United Kingdom's bound Total Aggregate Measure of Support (AMS); China's agricultural input subsidies; and US crop production support). SIMs on market access targeted G20 measures that restricted, or had the potential to restrict, trade of agricultural products including the Kingdom of Saudi Arabia's tariff increases on agricultural goods; the United Kingdom's special safeguard (SSG) entitlements; and Italy's local content requirement, as well as one measure of a trade liberalizing nature (Mexico's tariff reductions on foodstuffs to improve food security). Two SIMs related to G20 measures restricting or prohibiting exports of cereals (India's export restriction measures on rice and on wheat).

3.95. Fourteen SIMs, out of 33 discussed during the review period, were follow-up questions on policies implemented by G20 economies. Some have been raised multiple times in the CoA. For example, 5 SIMs that have been raised between 9 and 21 times in different CoA meetings attracted as many as 67 questions (Canada's new milk ingredient class-raised 21 times; Canada's dairy policies – raised 19 times; China's cotton policies – raised 10 times; and Canada's review of its tariff rate quota (TRQ) system and India's public stockpiling – raised 9 times each). Similarly, matters related to Argentina's export restrictions and India's oilseed policies have figured in the Committee's agenda on four different occasions. Other agricultural policies of China, the European Union, Indonesia, Türkiye, and the United States were also the subject of repeated concerns under Article 18.6.

3.96. All 33 SIMs (new and repeated) concerning policies implemented by G20 economies, including questions, answers and follow-up comments, can be accessed through the Agriculture Information Management System (AG IMS).[49]

3.97. WTO Members continued to implement the December 2015 Nairobi Ministerial Decision on Export Competition. Out of the 16 WTO Members with positive export subsidy commitment levels in their schedules at the time of adoption of the Decision, 9 were G20 economies. Seven of these (Australia, Brazil, Indonesia, Mexico, South Africa, Türkiye, and the United States) have had their revised export subsidy schedules certified; the remaining two (Canada and the European Union) circulated their draft revised schedules which are pending certification.

3.98. The CoA continued its review of the implementation of WTO Members' commitments under the AoA primarily on the basis of notifications submitted. Twelve distinct notification requirements are applicable in the domain of agriculture, covering the following areas: market access, domestic support, export subsidies, export prohibitions or restrictions, and the follow-up to the NFIDC Decision. The applicability of a notification requirement for a WTO Member is largely dependent on its specific commitments under the AoA. Out of the 12 notification requirements, the following 5 are "regular" or "annual" notification requirements: (i) imports under tariff and other quotas (MA:2); (ii) SSGs (MA:5); (iii) domestic support (DS:1); (iv) export subsidies (ES:1); and (v) total exports (ES:2).[50]

3.99. At each meeting, the Committee reviews WTO Members' compliance with their notification requirements under the AoA based on a background document prepared by the Secretariat. The latest revision considered by the CoA at its September 2022 meeting showed that for the period 1995-2020, there were 2,080 outstanding regular notifications, which represented around 25% of expected notifications. Out of the five annual notification requirements, Domestic Support (DS:1) and Export Subsidy (ES:1) have the highest number of outstanding notifications with 948 notifications and 958 notifications pending, respectively. For the same period, the compliance by G20 economies with the five regular notification requirements, when applicable, ranked between 74% and 100%, with an average compliance of 94% (Table 3.19).

Table 3.19 Compliance percentage with annual notifications by G20 economies, 1995-2020

(%)

G20 economy	MA:2	MA:5	DS:1	ES:1	ES:2	Average compliance (%)
Argentina	n.a.	n.a.	96	96	100	97
Australia	100	100	92	100	100	98
Brazil	100	n.a.	100	100	100	100
Canada	100	100	92	100	100	98
China	100	n.a.	82	95	n.a.	92
European Union	100	100	96	100	100	99
India	100	n.a.	100	73	n.a.	91
Indonesia	92	92	100	92	92	94
Japan	100	100	100	100	n.a.	100
Korea, Republic of	100	100	92	96	n.a.	97
Mexico	100	100	96	100	100	99
Russian Federation	100	n.a.	89	100	n.a.	96

[49] Select the function "Search Q&A Submitted Since 1995" on the AG IMS (http://agims.wto.org/) and inputting meeting numbers 101 and 102, and the concerned G20 members in the search criteria.

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

G20 economy	MA:2	MA:5	DS:1	ES:1	ES:2	Average compliance (%)
Saudi Arabia, Kingdom of	n.a.	n.a.	87	93	n.a.	90
South Africa	100	100	77	92	100	94
Türkiye	n.a.	n.a.	85	65	73	74
United Kingdom	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
United States	100	100	96	100	100	99

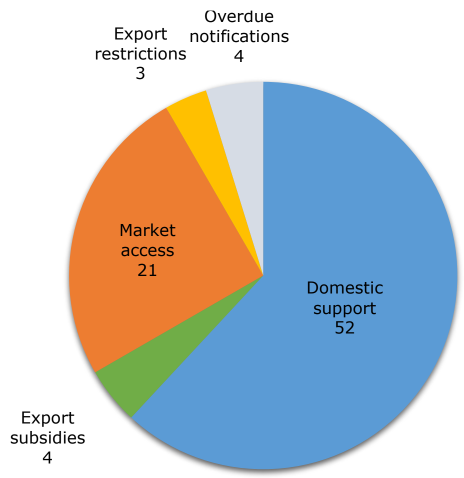
n.a. Not applicable.

Note: Average compliance has been calculated based on the number of reported years covered by each Member's notifications, issued as of 2 September 2022, compared to the total number of implementation years applicable to that Member for the period 1995-2020.

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

3.100. From 15 May 2022 to 15 October 2022, G20 economies submitted 340 notifications (including addenda and corrigenda). A total of 84 questions were raised concerning notifications from G20 economies during the CoA meetings covered by this Report. These questions accounted for more than 64% 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 on market access (Chart 3.17). Four questions addressed overdue notifications from Canada, China and South Africa.

Chart 3.17 Number of questions raised per topic (mid-May 2022 to mid-October 2022)



Source: WTO Secretariat.

COVID-19 pandemic, conflicts and food security

3.101. Food security has remained high on the agenda of the CoA, especially since the onset of the COVID-19 pandemic. The pandemic and governments' policy responses to address its effects and aftershocks have significantly impacted the global economy, and agriculture and food systems have not been insulated from the crisis. It was against this background that the Committee convened a special meeting in June 2020 to collectively review the impact of COVID-19 on the agriculture sector within the framework of the AoA.[51] Global food security challenges and governmental policy responses in the agricultural sector to address these challenges have since dominated the Committee's discussions. Furthermore, the Committee has undertaken a targeted examination of WTO Members' export-limiting measures on food to enhance transparency and provided an important forum to collectively consult on these measures.

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

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

3.103. The Ministerial Declaration on the Emergency Response to Food Insecurity[52] reflects the collective resolve of the WTO membership that "any emergency measures introduced to address food security concerns shall minimize trade distortions as far as possible; be temporary, targeted, and transparent; and be notified and implemented in accordance with WTO rules". Ministers also established a work programme to be elaborated under the auspices of the CoA to examine how the Marrakesh Ministerial Decision could be made more effective and operational to, *inter alia*, consider the needs of LDCs and NFIDCs and to increase their resilience in responding to acute food instability. The Committee has begun discussions on the work programme in its June and September meetings. Enhancing agriculture production and productivity in LDCs and NFIDCs, including by best utilizing the flexibilities in multilateral agricultural trade rules; enhancing accessibility to food markets by, *inter alia*, by examining the international supply chain bottlenecks; and examining financing challenges to import food especially during uncertain and volatile market conditions are some of the specific matters that have been put forth for examination.[53]

3.104. Ministers also adopted the Decision[54] to exempt from export prohibitions or restrictions food purchases by the World Food Programme (WFP) for non-commercial humanitarian purposes and thereby strengthening the WFP to fulfil its humanitarian mission to deliver emergency food assistance and nutritional support to millions of food-insecure people across the globe. The MC12 Declaration[55] on the WTO response to the COVID-19 Pandemic and Preparedness for Future Pandemics also underscores the importance of global food security in resilience-building and responding to the current and future pandemics and espouses a multifaceted and comprehensive approach to address food security. This Declaration calls on relevant WTO bodies, including the CoA, to analyse lessons learned and challenges experienced during the COVID-19 pandemic. The CoA's ongoing discussion on COVID-19 and Agriculture should henceforth be anchored by the holistic guidance in the MC12 Declaration on the COVID-19 pandemic.

3.105. The CoA's deliberations[56] have demonstrated that food security is a multifaceted challenge requiring a comprehensive policy response. There has been an appreciation of the importance of maintaining open and well-functioning global agricultural markets for food security. The discussions have also underscored the potentially damaging effects of trade-restrictive measures, including export restrictions, which could exacerbate the existing market volatility and uncertainty and thereby jeopardize world food security. Simultaneously, the importance of enhanced investment in the agricultural sector to unlock production capacities has been emphasized for the long-term resilience of the sector, especially in developing economies. WTO Members have also appreciated the work of Observer International Organizations in monitoring global food and input prices and other market developments, including through the Agricultural Market Information System (AMIS), to enhance transparency of agricultural markets and facilitate policy collaboration for food security. Beginning with the March 2022 CoA meeting, the Russian Federation-Ukraine war and its implications for food security worldwide have also taken centre stage in the discussions on food security. At the September 2022 meeting, WTO Members welcomed the Black Sea Grain Initiative to facilitate safe exports of grain, foodstuffs and fertilizer from Ukrainian ports and to help arrest the rising global food price inflation.

Export restrictions

3.106. Some of the measures put in place by Members in response to the COVID-19 pandemic and the war in Ukraine included restriction or prohibition on exports of agricultural products. The AoA establishes disciplines for cases where WTO Members institute export prohibitions or restrictions to

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[52] WTO document WT/MIN(22)/28, WT/L/1139, 22 June 2022.
[53] WTO documents G/AG/W/223, 12 September 2022 and G/AG/W/224 14 September 2022.
[54] WTO document WT/MIN(22)/29, WT/L/1140, 17 June 2022.
[55] WTO document WT/MIN(22)/31, WT/L/1142, 22 June 2022.
[56] The summary of discussions during 2022 can be found in the Summary Report of the March, June and September meetings of the Committee, respectively, in WTO documents G/AG/R/101, 12 April 2022; G/AG/R/102, 8 August 2022; and G/AG/R/103 (forthcoming).

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 WTO Member having a substantial interest as an importer with respect to any matter related to the measure in question. Based on the agreed notification requirements and formats established by the CoA, these written notices are referred to as ER:1 notifications. The AoA includes a special and differential treatment provision, whereby the above requirements do not apply to developing country Members unless the measure is taken by a developing country WTO Member that is a net food exporter of the specific foodstuff concerned.

3.107. During the review period, five ER:1 notifications were submitted to the CoA, of which two by a G20 economy. The European Union notified extensions to the temporary export control measure introduced by Hungary to cereals attributed to the disruption of grain supplies from the Black Sea region.[57]

3.7 General economic support

3.108. At the 27 July 2022 TPRB informal meeting dedicated to discussing the Director-General's Report on Trade-Related Developments[58], WTO Members engaged in a comprehensive and constructive exchange of views. Some Members expressed strong support for the Secretariat's coverage on economic support measures and stressed the importance of enhanced transparency in this area. Others underlined the need for consensus on the scope of the exercise and called on Members to further participate in the Reports and to engage in discussions to improve the exercise, also as part of the 7th TPRM Appraisal.

3.109. Since July 2017, the Secretariat has been unable to justify the inclusion of a separate Annex on general economic support measures in the Trade Monitoring Reports. This has been partly due to the low participation and response rate of WTO Members to the request for information, and partly because such an Annex would be biased against those Members that traditionally share and publish detailed information on such measures. Discussions among delegations at the past few TPRB meetings have addressed this issue, with several Members emphasizing the need to preserve and strengthen transparency through the Trade Monitoring Exercise. Several Members welcomed the online COVID-19 support measures list[59] compiled by the WTO Secretariat, which was put in place in the early stages of the pandemic. The list provides an informal situation report and is an attempt to enhance transparency around support measures taken in response to the COVID-19 crisis. It includes only information and measures communicated by delegations directly to the WTO Trade Monitoring Section and only in the original language of the submission.

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

3.110. In response to the Director-General's 31 August 2022 request for information for this Trade Monitoring Report, 33 WTO Members (Albania; Colombia; European Union[60]; Hong-Kong, China; Ukraine and United Kingdom) volunteered information on 24 regular general economic support measures unrelated to the pandemic, of which 7 were provided by G20 economies. The Secretariat's own research suggests that during the review period many more support measures with potential impact on trade flows were implemented by WTO Members.

3.111. The regular support measures communicated by WTO Members and those identified by the Secretariat during the review period to a large extent reflected crisis-related issues related to energy and food security. Measures included numerous energy-related support schemes such as support for renewable energy production, investments in alternative energy power plants and in clean- and renewable-energy projects, grants to renewable energy businesses, financial support for electricity storage facilities, credits to energy firms to avoid the cash crisis, energy bills support schemes to households and energy prices guarantees schemes. Several measures were also introduced to

[57] WTO documents G/AG/N/EU/77/Rev.1, 11 July 2022; and G/AG/N/EU/77/Rev.2, 23 September 2022.
[58] WTO document WT/TPR/OV/W/16, 13 July 2022.
[59] WTO, *COVID-19: Support Measures*. Viewed at: https://www.wto.org/english/tratop_e/covid19_e/trade_related_support_measures_e.htm.
[60] Counting the EU (27) and its members States separately.

support farmers and the agricultural sector, including production subsidies to cereals and oil seed farmers, direct grants to farmers, support measures to food production plans, aid schemes to support the livestock sector and other specific agricultural sectors (seeds, wheat, beekeepers, wine), fundings for the purchase of machines and agricultural equipment, grants to support agri-food companies and general programmes for the development of agriculture. Other support measures implemented during the review period included transport-related aid schemes and measures to support the automotive sector, including investments in manufacturers of electric vehicles'. Other measures included health-related financial grants, support to businesses and MSMEs, inflation-fighting fiscal measures and R&D innovation measures.

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

COVID-19-related economic support measures

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

3.114. In response to Director-General's 31 August 2022 request for information, 38 Members[61] volunteered information on extensions, renewals, or terminations of COVID-19-related support measures to the Secretariat. Some additional 34 COVID-19-related support measures were recorded, of which 1 by a G20 economy.

3.115. Since the beginning of the pandemic, at least 1,762 COVID-19-related economic support measures have been put in place by 113 Members and 7 Observers.[62] Of these, by mid-October 2022, 1,117 (63%) were communicated directly to the WTO Secretariat. Overall, 702 COVID-19-related economic support measures were implemented by G20 economies, of which 387 (55%) were communicated directly to the Secretariat.

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

3.117. COVID-19-related support measures generally appeared to be temporary in nature and the vast majority were implemented in 2020. Several of these support measures were one-off grants or aid schemes, and many were introduced for a fixed period covering few months to a couple of years. Although many of the COVID-19-related support measures were implemented on a temporary basis, and accurately estimating the number of measures terminated is complex. Information about terminations is often not displayed on governmental websites, announced in the press and is not regularly communicated to the Secretariat.

3.118. During the review period, governments around the world continued to face multiple interlinked crises in the energy sector, with respect to food security and with growing inflation. These came on top of the challenges posed by the COVID-19 pandemic. As in the context of the global financial crisis in 2008-09, the current uncertain international environment has seen a surge in trade measures by national governments and sub-national governmental entities to deal with a multitude of economic, social and humanitarian challenges. In 2009, the WTO responded to the call by G20 Leaders to monitor measures taken in response to the crisis by reporting on the large number

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[61] Australia; Belize; Brunei Darussalam; Cambodia; El Salvador; European Union (counting the EU (27) and its members States separately); Hong-Kong, China; Macao, China; Norway, Thailand and Türkiye.

[62] Azerbaijan, Belarus, Equatorial Guinea, Ethiopia, Iraq, Lebanon, and Serbia.

of implemented government support and stimulus programmes. At the time, it was widely recognized that many of those measures included provisions which affected trade flows. The COVID-19 pandemic and the various impacts resulting from the war in Ukraine have again created a global crisis environment to which governments are responding with a range of measures, that may affect trade directly or indirectly. Several WTO Members have referred to the importance of monitoring such measures, especially in the context of a crisis.

3.8 Other selected trade policy issues

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

3.120. On 17 June, WTO Members successfully concluded the 12th Ministerial Conference (MC12) in Geneva with negotiated outcomes on a series of key trade initiatives that contains unprecedented decisions on fisheries subsidies; WTO response to health emergencies, including a patent waiver for COVID-19 vaccines; food security; e-commerce; and WTO reform. All documents related to the outcome of MC12 can be found on the WTO website.[63]

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

3.121. The General Council saw WTO Members engage on COVID-19-related matters on several occasions during the review period. Delegations also referred to the war between the Russian Federation and Ukraine as part of their statements under various other agenda items at regular meetings of the General Council, including 25-26 July and 6-7 October 2022, as well as at the special meeting of the General Council on 7 June 2022.[64]

3.122. At the 7 June 2022 General Council meeting[65], the TRIPS Council Chair reported on the discussions on the proposed waiver on some TRIPS provisions by India, South Africa, and other co-sponsors in relation to the prevention, containment or treatment of COVID-19. At the 9-10 May 2022 General Council meeting, the TRIPS Council Chair noted that, on 3 May, a communication containing the outcome of informal discussions between a group of Ministers had been circulated for discussion in the TRIPS Council.[66] At the June meeting, the TRIPS Council Chair updated Members on these discussions including on the negotiations of the Outcome Text, the latest revision of which became the basis of the decision taken by Ministers and Heads of Delegation at MC12.[67]

3.123. At the 25-26 July and 6-7 October General Council meetings[68], the co-sponsors of IP/C/W/669/Rev.1 requested the item "Paragraph 8 of the Ministerial Decision on the TRIPS Agreement adopted on 17 June 2022 – document WT/MIN(22)/30" to be included in the agenda, which generated considerable discussion as well as a statement by the TRIPS Council Chair.

3.124. At the 7 June Special General Council meeting, the General Council Chair-appointed Facilitator updated Members on the discussions on the multilateral process on the WTO response to the pandemic. This resulted in an outcome document forwarded to Ministers and Heads of Delegation on 10 June for action and this, in turn, became the basis of the decision taken by them during MC12.[69]

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[63] WTO Ministerial Conference, MC12: https://www.wto.org/english/thewto_e/minist_e/mc12_e/documents_e.htm.
[64] WTO documents WT/GC/M/200, 6 September 2022 and WT/GC/M/201 (forthcoming).
[65] WTO document WT/GC/M/199, 6 September 2022.
[66] WTO document IP/C/W/688, 3 May 2022.
[67] The MC12 Ministerial Decision on the TRIPS Agreement of 17 June 2022 can be found in WTO document WT/MIN(22)/30, WT/L/1141, 22 June 2022.
[68] WTO documents WT/GC/M/200, 6 September 2022 and WT/GC/M/201 (forthcoming).
[69] The MC12 Ministerial Declaration on the WTO Response to the COVID-19 pandemic and preparedness for future pandemics can be found in WTO document WT/MIN(22)/W/13, 10 June 2022.

Aid for Trade

3.125. The Aid for Trade initiative was launched at the WTO Ministerial Conference in December 2005. The 2022 Global Review of Aid for Trade, held from 27 to 29 July 2022, focused on the theme "Empowering Connected Sustainable Trade". The 2022 conference was held against the backdrop of the COVID-19 pandemic and efforts by Members and the international community to contain the spread of the virus, respond to its impacts and devise measures to improve resilience to future shocks. It provided an opportunity to discuss the constraints facing developing countries, and in particular LDCs, in areas of supply-side capacity and trade-related infrastructure, and how Aid for Trade can help advance the 2030 Agenda for Sustainable Development. A particular focus was placed on the opportunities that digital connectivity and sustainability offer for economic and export diversification – and how Aid for Trade can help empower different economic actors to realize these opportunities. The 2022 Global Review was underpinned by an extensive monitoring and evaluation (M&E) exercise.[70]

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

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

Dispute settlement

3.128. Between the beginning of October 2021 and the beginning of October 2022[71], Members initiated eight new disputes, seven of which were filed between January and October 2022 (Chart 3.18). Six of the new disputes concern measures adopted by G20 economies. In addition, the WTO dispute settlement system continued to deal with several proceedings initiated in the years 2018-19. As of the end of September 2022, panel proceedings in 26 disputes and 1 arbitration on the level of suspension of concessions under Article 22.6 of the DSU were ongoing. All but two of these disputes concern measures adopted by G20 economies.

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

3.130. Panels also circulated reports in seven disputes and arbitrators issued decisions on the level of suspension of concessions or other obligations under Article 22.6 of the DSU in two proceedings. All but one of these rulings concerned measures adopted by G20 economies. The Dispute Settlement Body adopted panel reports in three disputes, while Members appealed four panel reports (Chart 3.19). These appeals cannot be currently considered, as in the absence of consensus among WTO Members to launch the selection process for Appellate Body members, all seven positions on the Appellate Body remain vacant.

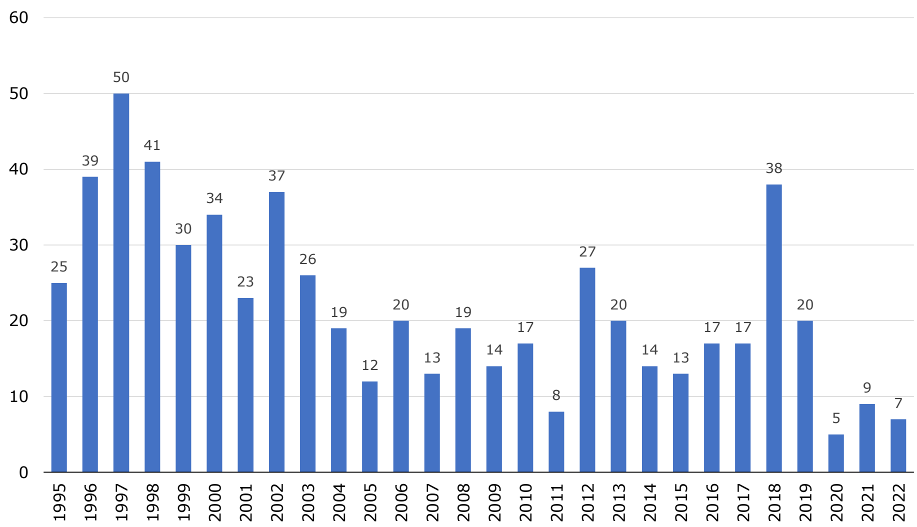
3.131. Parties to 10 disputes agreed to an alternative appeal mechanism based on arbitration proceedings under Article 25 of the DSU with a view to ensuring review of panel reports in the

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

[71] Due to the nature of WTO dispute settlement, a six-month review period does not allow for adequately capturing the developments in this area and a longer 12-month review period is more appropriate for that purpose.

absence of a functioning Appellate Body. Eight of these disputes involve G20 economies as the two disputing parties. The first appeal arbitration award in such proceedings was issued during the review period.

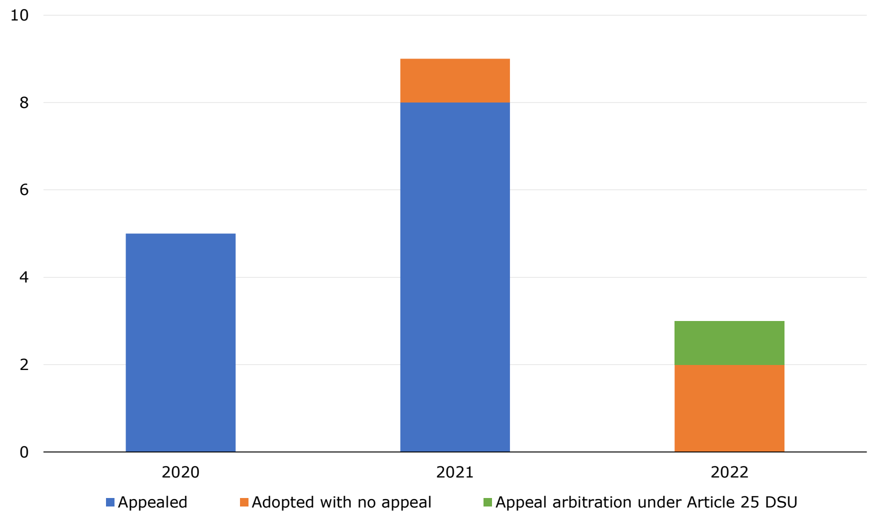
Chart 3.18 New disputes initiated per calendar year 1995-2022



Note: Data for 2022 cover January to September.

Source: WTO Secretariat.

Chart 3.19 Panel reports appealed and adopted 2020-2022



Note: Data for 2022 cover January to September.

Source: WTO Secretariat.

Electronic commerce

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

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

3.134. Since then, engagement has resumed at different levels. In September, the Chair of the General Council held initial consultations with Members on how to organize the work moving forward and how to ensure complementarity between the work of the subsidiary bodies and that of the General Council. At a meeting in October, the Chair suggested holding dedicated discussions in the General Council to address horizontal issues, including the development dimension, and encouraged all delegations to bring forward proposals. He also suggested that work in the subsidiary bodies should proceed based on Members' proposals. Discussions have also resumed in some of the regular bodies tasked with the implementation of the Work Programme. The CTD continued to discuss a submission on global electronic commerce for inclusive development and the Chairs of the CTG and the CTS will conduct consultations on how to implement the MC12 Decision.

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

Fisheries subsidies

3.136. At MC12, WTO Members adopted and opened for acceptance the new WTO Agreement on Fisheries Subsidies.[72] WTO Members are currently undertaking their domestic processes for accepting the Agreement. In accordance with Article X:3 of the Marrakesh Agreement Establishing the WTO, the Agreement will enter into force when two thirds of WTO Members have accepted it. Paragraph 4 of the Ministerial Decision adopted at MC12 mandates the Negotiating Group on Rules (NGR) to continue negotiating on outstanding issues, particularly on certain forms of subsidies that contribute to overcapacity and overfishing, including special and differential treatment as an integral part of the negotiations. The aim of this "second wave" of negotiations is to make recommendations to MC13 for additional provisions that would achieve a comprehensive agreement on fisheries subsidies.

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

Government procurement

3.138. The plurilateral WTO Agreement on Government Procurement 2012 (GPA 2012) is an important instrument for keeping GPA Parties' government procurement markets open and safeguarding good governance in their government procurement markets. Currently, the Agreement has 21 Parties, covering 48 WTO Members.[73] Thirty-six WTO Members/Observers participate as observers in the Committee on Government Procurement (CGP).

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

[72] WTO document WT/MIN(22)/33, 22 June 2022.
[73] The European Union and its 27 member States are covered by the Agreement as one Party.

3.140. Fifteen GPA Parties[74] circulated a joint statement to the WTO General Council and the CGP "condemning" the Russian Federation's "military assault on Ukraine" while declaring that they "will not participate in any work related to the Russian Federation's accession to the World Trade Organization's Agreement on Government Procurement and consider the process suspended".[75]

Micro, small and medium-sized enterprises (MSMEs)

3.141. Established in 2017 at MC11 and open to all Members, the WTO Informal Working Group on MSMEs (MSME Group) is an inclusive group of 95 Members with the shared objective of improving access to international trade for MSMEs.

3.142. Although a draft ministerial declaration[76] was finalized by the Group in September 2021, changed circumstances prevented the Group from endorsing the document at MC12, and instead a report on the progress of the Group was presented by the Group's Coordinator on the sidelines of MC12. The implementation of the Group's 2020 MSME Package remains a priority[77] and the Group continues to explore MSME trade issues, in particular MSME provisions in regional trade agreements, cross-border payments, environmental sustainability, low-value shipments, paperless trade and cyber readiness.

3.143. Following the December 2021 launch of the Trade4MSMEs platform, which is an online resource aggregating trade information for MSMEs and policymakers, the Group established a Trade4MSMEs Network of international organizations and development banks in June 2022. The Trade4MSMEs network includes 17 organizations.

Regional trade agreements (RTAs)

3.144. G20 economies continue to account for a major share of current RTAs. Out of the 11 RTAs notified between 16 October 2021 and 15 October 2022, 10 included at least one G20 economy. As of 15 October 2022, around two thirds (68%) of the 355 RTAs notified to the WTO and in force[78] involve at least one G20 economy. Most of RTAs involving G20 economies include provisions in goods and services. For some G20 members, notably Argentina, Brazil, Russian Federation, South Africa, and Türkiye, the majority of RTAs involve trade in goods only (Chart 3.20).

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

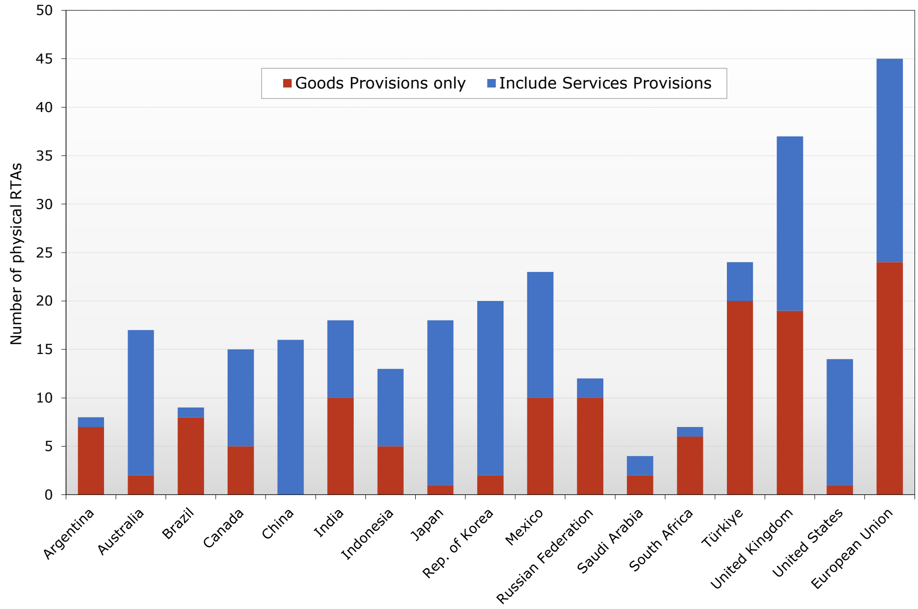
[75] WTO document GPA/155, 20 Jun 2022.

[76] WTO document INF/MSME/W/36, 28 September 2021.

[77] WTO document INF/MSME/4/Rev.2, 6 October 2021.

[78] Please consult the WTO RTA Database (http://rtais.wto.org) for updated information on all RTA notifications submitted by WTO Members.

Chart 3.20 G20 RTAs

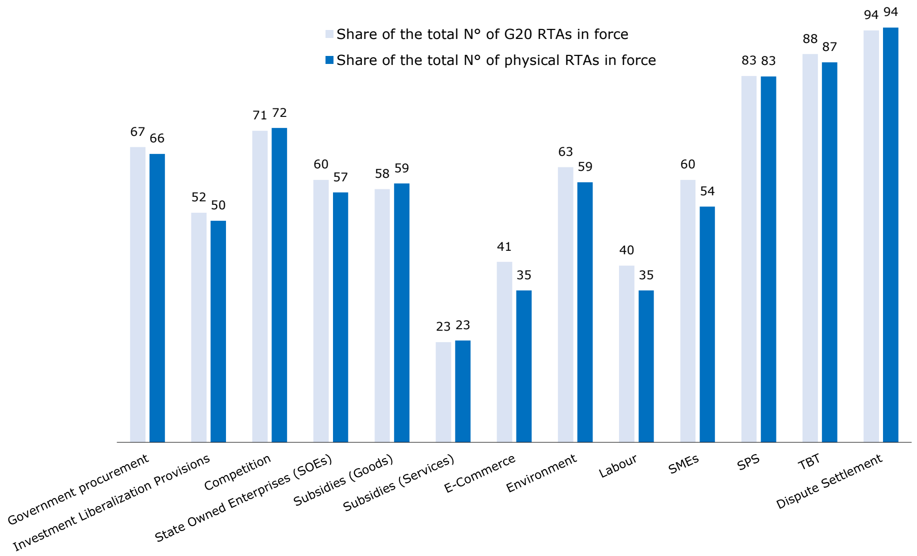


Source: WTO Secretariat.

3.145. 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, SPS standards, TBT, and regulations on labour and environment, competition, government procurement and dispute settlement. Chart 3.21 shows that the number of G20 RTAs that have such provisions range from 23% for subsidies in services to 94% with provisions on dispute settlement. The frequency of such provisions is greater in RTAs involving G20 economies, than for all RTAs. Other provisions include government procurement, investment liberalization, state owned enterprises (SOEs), electronic commerce, environment, labour, SMEs and TBT provisions.

Chart 3.21 Key provisions in G20 RTAs and all RTAs

(%)



Source: RTA Section, WTO Secretariat, October 2022. For more details on these topics: http://rtais.wto.org.

Trade and environment

3.146. Work at the June 2022 meetings of the Committee on Trade and Environment (CTE) has continued to look at global issues at the intersection between trade and environmental policies. WTO Members held dedicated discussions on several topics including, *inter alia*, circular economy and plastics pollution; trade and climate change; Fossil Fuel Subsidies Reform (FFSR); sustainable supply chains; biodiversity; transfer of technology; capacity-building; and the results of COP26 and preparations for COP27. Several international organizations also briefed delegations on their work on relevant trade and environment issues.[79] Prior to MC12, Members underlined the need to advance environmental issues in the multilateral trading agenda and highlighted the importance of including environmental considerations at MC12.

3.147. Members continued discussions on trade-related aspects of the EU Green Deal, including a set of proposals on Ecodesign for Sustainable Products Regulation (ESPR); proposals to improve Construction Products Regulation (CPR); and the EU strategy for Sustainable and Circular Textiles.

3.148. Members were also continuously briefed on the progress made in three environmental initiatives: (i) Structured Discussions on Trade and Environmental Sustainability (TESSD); (ii) Informal Dialogue on Plastics Pollution and Environmentally Sustainable Plastics Trade (IDP); and (iii) FFSR.

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

Box 3.4 Climate change adaptation and trade

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

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

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

The WTO, as a global forum for cooperation, can help to support climate adaptation efforts by promoting the transparency and predictability of trade policies related to climate change adaptation and by limiting

[79] WTO document WT/CTE/M/75, 3 October 2022.

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

Source: WTO Secretariat.

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

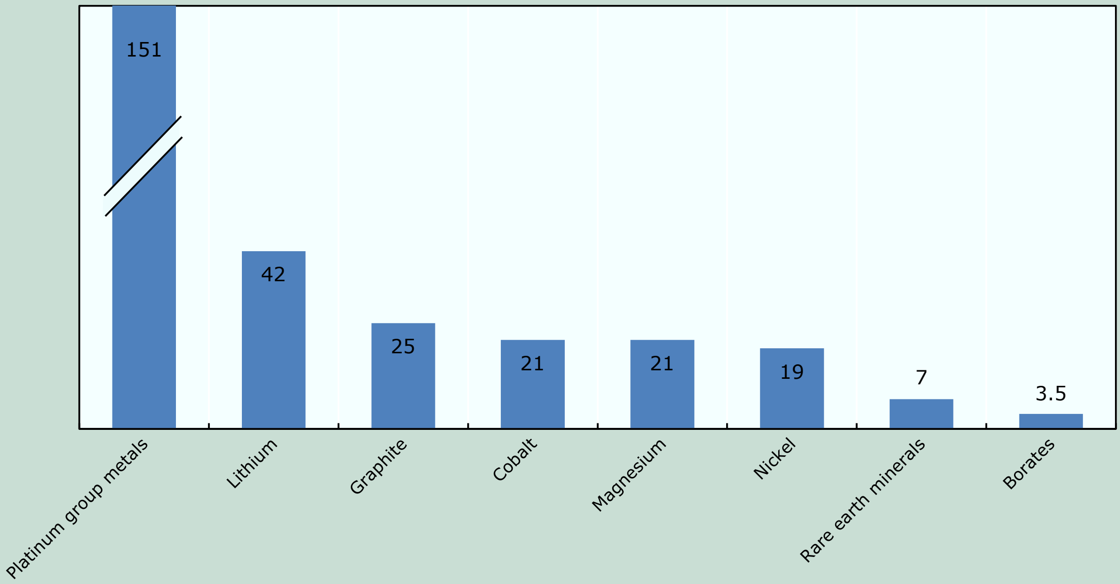
Box 3.5 Critical raw materials for the green transition

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

While the green transition will reduce global dependence on fossil fuels, it will generate pressure on the production of other raw materials. Production of clean technologies generally requires more minerals than for their fossil fuel counterparts (for example, up to six times more mineral inputs are required for an electric car compared to a conventional one; nine times more for an onshore wind plant compared to a gas-fired one).[a] The International Energy Agency (IEA) estimates that the scaling up of green technologies necessary to meet the Paris Agreement goals would increase the global demand for lithium 42 times between 2020 and 2040, 25 times for graphite, 21 times for cobalt and magnesium, 19 times for nickel, 7 times for rare earth minerals and 3.5 times for borates. The projected changes are even more striking for materials that are currently used in very small quantities in industrial applications, such as platinum group metals (Figure 1).

Figure 1 Projected global demand growth between 2020 and 2040, selected critical raw materials

Index (2020 = 1)



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

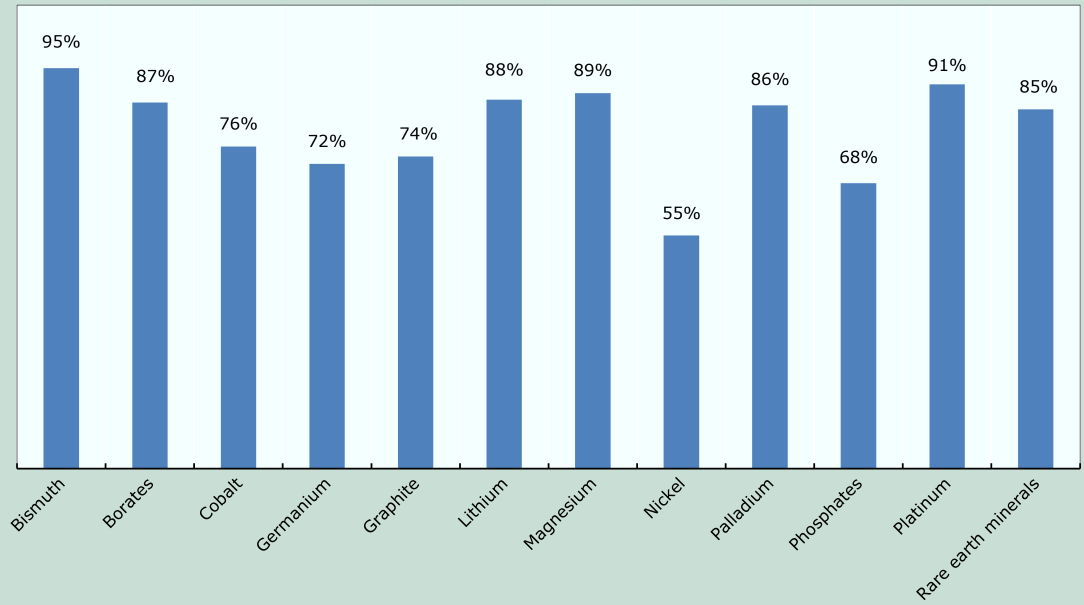
Source: OECD calculations based on IEA data.

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

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

Figure 2 Concentration of global production of critical raw materials

The share of global production concentrated among three largest producers

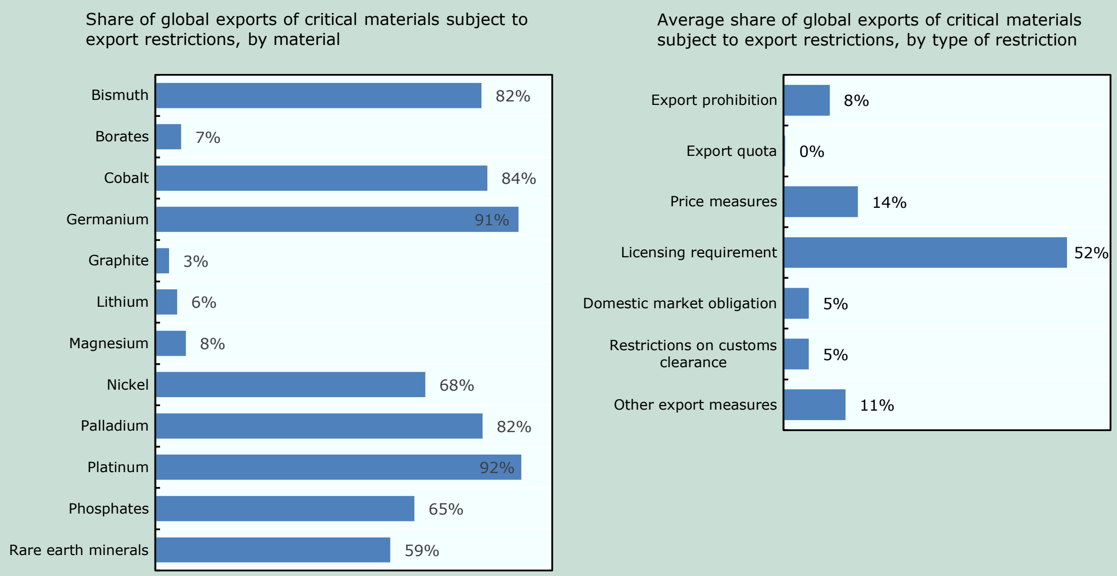


Note: Data for 2020. Here, for ease of reading, the label Germanium has been used to denote the following group of materials: germanium, niobium, vanadium, gallium, indium and hafnium.

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

Since the supply of critical raw materials is highly concentrated, export restrictions are the most widespread trade policy measure applied in these sectors. While they may be introduced for a variety of important policy objectives, such measures can have distortive effects on international markets by reducing global supply and raising prices and creating uncertainty for importers. Platinum, germanium, cobalt, bismuth, and palladium are among the materials that are most affected by export restrictions by volume (Figure 3) and cobalt and nickel sustain the most restrictive measures in the form of outright export prohibitions. Disciplining export restrictions through existing trade policy tools and new commitments at the multilateral, regional or bilateral level can ensure that domestic-oriented policies of some countries are not detrimental to fair access to critical raw materials.

Figure 3 Export restrictions on critical materials



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

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

Unexploited reserves of such raw materials provide potential alternatives for diversification. However, there may be several reasons why some reserves have remained untapped, notably environmental implications, social concerns and economic viability. International investments will need to flow into existing and new producing countries in line with international standards on responsible business conduct. Longer-term approaches to recycling, secondary raw materials and the circular economy also have the potential to mitigate supply concentration.

a IEA (2021), *The Role of Critical Minerals in Clean Energy Transitions*, International Energy Agency, Paris.
b See, OECD Inventory of Export Restrictions on Industrial Raw Materials, available at: https://qdd.oecd.org/subject.aspx?Subject=ExportRestrictions_IndustrialRawMaterials.

Source: OECD.

Trade facilitation

3.151. The Trade Facilitation Agreement (TFA) entered into force on 22 February 2017, when two thirds of WTO Members presented their corresponding instruments of acceptance. At the conclusion of the review period, 155 Members (94.5% 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, three implementation notifications were received, as well as one extension for the implementation of definitive dates for Category B. India and Indonesia provided transparency notifications under Articles 1.4, 10.4.3, 10.6.2 and 12.2.2, of which one concerned COVID-19 measures. Three WTO Members notified technical assistance and capacity-building activities, in accordance with Article 22.

3.152. In March 2022 the WTO Committee on Trade Facilitation adopted a new governance framework, establishing, *inter alia,* the relationship between the Committee and the Facility.[80] Since technical assistance activities restarted, 11 activities were requested by LDC Members to prepare for the notification deadline for Category C definitive dates on11 August 2022. Three Members and one regional group have requested activities under the new governance arrangements. In the same period, the Facility has administered one project preparation grant and launched applications for two more.

[80] WTO document G/TFA/3, 5 April 2022.

Trade finance

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

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

Trade and gender

3.155. In the last decades, governments have included gender issues in their national trade policies, making them more inclusive.[81] While many trade policies support women's access to the economy and foster their participation in the export-oriented sector through various means including financial incentives to the private sector, most focus on women entrepreneurs and female farmers. They include measures to support their access to international markets and in developing trade capacity. These programmes often provide business, trade, and financial literacy training.

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

3.157. Those trade policies targeting female farmers mostly focus on capacity-building programmes to help them comply with SPS measures, in order to export to regional and international markets. Some also look at giving rural women access to finance, and productive resources. Both groups also benefit from e-commerce policies and strategies. According to the WTO regional surveys 2019-20, 41% of women entrepreneurs expressed difficulties in accessing ecommerce opportunities.[82] Trade policies tend to facilitate access to such platforms by providing them with assistance to create a website to sell products internationally and by building female entrepreneurs general capacity to e-trade.

3.158. Similarly, gender issues have been increasingly integrated into free trade agreements. In the last 25 years, governments have included gender provisions in their RTAs. Out of 353 RTAs in force and notified to the WTO, 101 include at least 1 explicit reference to gender issues.[83] The first gender provision was included in the Treaty of Rome, in 1957 and in 1983, the second provision was adopted in the Treaty for the Establishment of the Economic Community of Central African States

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

[82] WTO survey, "Assessing Women Entrepreneurs' Knowledge Gap on Trade in East Africa, South Asia, and Latin America", forthcoming, 2019-20.

[83] See *Trade and Gender-Related Provisions in Regional Trade Agreements*, WTO document INF/TGE/COM/4, 22 September 2022. Also see WTO, Database on Gender Provisions in RTAs. https://www.wto.org/english/tratop_e/womenandtrade_e/gender_responsive_trade_agreement_db_e.htm.

(ECCAS Treaty). A decade later, the first chapter on trade and gender was integrated in the Common Market for Eastern and Southern Africa (COMESA).

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

4 POLICY DEVELOPMENTS IN TRADE IN SERVICES

Regular measures affecting trade in services

4.1. During the review period, 22 new measures affecting trade in services were introduced by G20 economies. These concern different modes of supply across various sectors and appear to be evenly distributed between trade-facilitating and trade-restrictive policies. The new measures refer to many different sectors and modes of supply, and half of them focus on telecommunication and Internet-and other network enabled services, and financial services. Annex 4 in the Addendum provides additional information on these 22 new measures, from Argentina, Australia, Brazil, China, the European Union, India, Indonesia, Italy, Mexico, the Kingdom of Saudi Arabia, Türkiye and the United Kingdom.[1]

Measures affecting supply through commercial presence across various sectors

4.2. Italy adopted a new law on 20 May 2022 that expands the scope of foreign investment subject to screening by the government. It covers the acquisition of control in companies holding strategic assets and greenfield investment in companies carrying activities or holding assets that are strategic for the foreign investment review purposes, if one or more non-EU individuals or entities hold at least 10% of the capital or voting rights, with an extended coverage of non-EU individuals or entities introduced. Starting 7 June 2022, Mexico increased the amount of assets for which approval by the National Foreign Investment Commission is necessary for foreign investment transactions with foreign ownership above 49%.

4.3. In the Kingdom of Saudi Arabia, the government approved a new Companies Law that, *inter alia*, introduces a new form of company with no minimum capital requirement ("Simplified Closed Joint Stock Company"); removes restrictions on company names, which can now be in languages other than Arabic; and simplifies procedures for companies to operate.

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

4.4. Seven G20 economies adopted new measures in relation to the communications sector, Internet- and other network-enabled services, or e-commerce that have implication for foreign services or foreign service suppliers. For example, Indonesia introduced a new personal data protection measure that specifies underlying documents or circumstances under which personal data may be transmitted outside the jurisdiction, such as pre-obtained approval of the personal data owner and bilateral agreements. The new measure will regulate all forms of data processing, including the acquiring, collecting, storing, updating, and correcting processes. It will apply to local businesses as well as international corporations that handle data on Indonesian consumers.

4.5. Starting 25 September 2022, India requires that VPN, cloud and other IT services providers collect customers' personal information and log their activity. They are then required to surrender that information to the authorities on demand. In China, a new measure sets out the security assessment framework for cross-border data transfers, effective from 1 September 2022. A business carrying out cross-border transfers of personal information of China-based subjects is required to meet at least one of the following conditions: have an official security assessment conducted by the Cyberspace Affairs Commission (CAC); obtain a personal information protection certification from a recognized organization; or execute a contract with the data recipient, in a form prescribed by the CAC.

4.6. Because of their significant impact on the internal market and their role as a gateway for business users to reach their end users, the European Union introduced on 5 July 2022 the Digital Markets Act, which includes rules for digital platforms that act as "gatekeepers" (i.e., core platform services, such as social platforms or search engines ,that have a market capitalization of at least EUR 75 billion or an annual turnover of EUR 7.5 billion, and have at least 45 million monthly end users in the European Union and 10,000 annual business users). The act aims at preventing gatekeepers from imposing unfair conditions on businesses and end users, and at ensuring the openness of important digital services. For instance, gatekeepers will be restricted from imposing

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

the use of their payment services platforms. They will also be required to provide access to price-setting conditions and algorithms to third-party advertisers and publishers.

Other services measures

4.7. Some Members introduced measures in various other services sector during the review period. For example, on 1 September 2022, China introduced a new measure allowing 100% foreign ownership in insurance asset management companies (up from 25% previously). On 2 June 2022, Argentina adopted a new tax regime for online gambling, introducing an indirect tax ranging from 2.5% for operators domiciled in the country to 15% for foreign operators not registered in the country.

4.8. In the postal and courier sector, the Kingdom of Saudi Arabia introduced a measure that separates the regulator from the service provider. The Ministry of Transport and Logistic Services undertakes supervision of the postal sector, sets its general policies and development plans, and proposes projects for its regulations and amendments. During the review period, Brazil introduced additional measures relating to telehealth activities. For example, the Federal Council of Pharmacy published a resolution aimed at regulating activities in the telepharmacy sector (covering teleconsultation, tele inter-consultation, teleconsulting and telemonitoring). Companies that are platforms for or provide telepharmacy must have a representation established in Brazil, be registered in the Regional Council of Pharmacy and have a technical representative.

Measures affecting supply through the movement of natural persons

4.9. On 22 August 2022, the United Kingdom launched a new visa category called the "scale-up visa" for high-growth businesses. Professionals can apply for the scale-up visa if they have sponsorship for six months from an eligible fast-growing business in the country. This visa can initially be granted for a period of two years with an option to further extend it for three years, depending on the salary received by the professional. In addition, only graduate-level professionals, and professionals above graduate level, such as intra-corporate transferees with a minimum salary of GBP 33,000 per year, can apply.

COVID-19-related measures affecting trade in services[2]

4.10. During the review period, information on new COVID-19 related measures affecting trade in services was reported for only one G20 economy, China.[3] However, many measures that were introduced in 2020 remain in force. The full list of measures compiled since the beginning of the COVID-19 pandemic is available on the WTO website.[4]

Air services agreements

4.11. 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 provide for improved access conditions than was previously the case. The air transport sector is under

[2] ~~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.~~

[3] A notice was issued stating that the effective implementation of more measures for opening up in the capital market shall be continuously promoted, and the demands and concerns of foreign investors shall be understood and responded to in a timely manner so as to ensure that support policies are equally applicable to foreign-funded institutions. Source: Notice on Further Improving the Functions of the Capital Market to Support Accelerating Recovery and Development of Regions and Industries Severely Affected by the COVID-19 Pandemic, No. 46 [2022] of the China Securities Regulatory Commission. Issued on 20 May 2022.

[4] Viewed at: https://www.wto.org/english/tratop_e/covid19_e/trade_related_services_measure_e.htm.

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 Agreements[5] concluded or amended between May and October 2022

Parties		Date of signature	Source
Guyana	Saudi Arabia, Kingdom of	09.05.2022	Guyana & Saudi Arabia sign air service agreement | Loop Caribbean News (loopnews.com)
Cameroon	Saudi Arabia, Kingdom of	01.06.2022	https://www.journalducameroun.com/en/cameroon-and-canada-sign-air-transport-agreement-to-boost-trade/
Oman	Indonesia	16.06.2022	Oman, Indonesia ink agreement on air transport (tradearabia.com)
Israel	Türkiye	07.07.2022	Israel and Türkiye to sign new bilateral air transport agreement (azernews.az)
Rwanda	EU (Austria)	19.07.2022	https://www.newtimes.co.rw/news/rwanda-austria-sign-air-service-agreement
United States	Colombia	27.07.2022	The United States and Colombia Add All-Cargo Rights to Air Transport Agreement - United States Department of State
Saudi Arabia, Kingdom of	Poland	29.07.2022	Saudi Arabia, Poland Sign MOU In Air Transport Field | MENAFN.COM

Source: WTO Secretariat.

4.12. The following Box provides some perspectives on connected services and competitiveness and has been contributed by the ITC.

Box 4.1 Connected services make all firms competitive

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

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

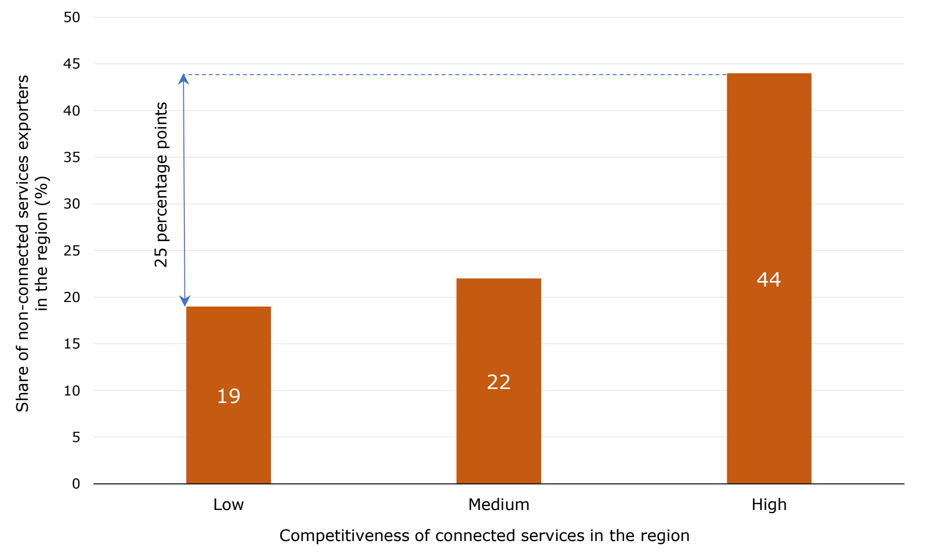
Connected services provide important direct benefits to economies. Approximately one-quarter of people working in services globally are in these sectors, and this share is growing rapidly. Connected service firms also export more often, attract more investment from abroad and reinvest a larger share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

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

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

[5] 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.

Figure 1 Regions with strong connected services have more exporters



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

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

Turning services potential into a reality

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

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

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

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

a ITC, "SME Competitiveness Outlook 2022: Connected Services, Competitive Businesses" (Geneva, Switzerland: International Trade Centre, September 2022), https://intracen.org/resources/publications/sme-competitiveness-outlook-2022-connected-services-competitive-businesses.

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

Source: ITC.

5 POLICY DEVELOPMENTS IN TRADE AND INTELLECTUAL PROPERTY

5.1. During the review period, G20 economies continued to fine-tune their intellectual property (IP) domestic frameworks, as shown by the communications to the Trade Monitoring Exercise and the notifications to the TRIPS Council. The pace of implementation of specific measures related to COVID-19 health technologies slowed down. At MC12, G20 economies played an important role in the negotiation and adoption of Ministerial Decision on the TRIPS Agreement and COVID-19 Vaccines.

Developments in domestic legislation and administration of IPRs

5.2. Domestically, G20 economies are working to streamline IP into their economies to reflect developments on the relationship between IP and trade; and continued to modernize and fine-tune their IP legislation and administration. During the review period, nine G20 economies submitted notifications to the TRIPS Council.[1] China also communicated to the WTO Trade Monitoring Exercise that it's National Intellectual Property Administration issued on 10 June 2022, the Announcement No. 486 on matters concerning the payment of patent annual fees.

COVID-19-related Measures

5.3. The implementation IP measures, designed to facilitate innovation and access to COVID-19 health-related technologies or streamline procedures for the management of intellectual property rights (IPRs) has decelerated during the review period. The Secretariat maintains a non-exhaustive list of measures online.[2]

TRIPS Council

5.4. During the meetings of the TRIPS Council that took place before MC12[3], G20 economies actively engaged in the negotiations on the proposal by India and South Africa to waive parts of the TRIPS Agreement during the pandemic[4]; as well as the European Union's Communication on "Urgent Trade Policy Responses to the COVID-19 Crisis – Intellectual Property" and the proposed "Draft General Council Declaration on the TRIPS Agreement and Public Health and the Circumstances of the Pandemic".[5]

5.5. G20 economies, which are part of the Group "Friends of Innovation" continued to share information and best practices to bring more female creators and inventors, as well as other under-represented groups, into the IP ecosystem[6]; on domestic policies to boost innovation and microfinance;[7] and on the role of IP to raise financing for start-ups.[8]

MC12

5.6. Ministers at MC12 adopted the TRIPS Decision on COVID-19 Vaccines[9], which provides a platform to expand and geographically diversify COVID-19 vaccine manufacturing capacity; and creates an additional avenue for developing Members to export generic vaccines to other eligible Members, either directly or through humanitarian initiatives. The Decision also foresees a further decision by Members on its extension to COVID-19 therapeutics and diagnostics, within six months, i.e., by 17 December 2022.

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[1] Viewed at: https://e-trips.wto.org/.
[2] Viewed at: https://www.wto.org/english/tratop_e/covid19_e/trade_related_ip_measure_e.htm.
[3] During the review period, the TRIPS Council met formally on 3, 6, 16 and 19 May 2022, 6-7 July, and 12-13 October 2022. It also held several informal open-ended meetings and consultations by the Chairperson.
[4] WTO document IP/C/W/669, 2 October 2020 and addenda.
[5] WTO documents IP/C/W/680, 4 June 2021; and IP/C/W/681, 18 June 2021 respectively.
[6] WTO document IP/C/W/685, 1 October 2021.
[7] WTO document IP/C/W/686, 25 February 2022.
[8] WTO document IP/C/W/692, 29 September 2022.
[9] WTO document WT/MIN(22)/30, WT/L/1141, 22 June 2022.

5.7. The Ministerial Decision on TRIPS Non-Violation and Situation Complaints[10] contains the agreement to extend the moratorium until MC13 and instructs the TRIPS Council to continue discussions on the scope and modalities of these types of disputes to the TRIPS Agreement.

Developments in the context of the war in Ukraine

5.8. Several G20 economies continue to implement financial measures that might indirectly affect the maintenance and licensing of intellectual property rights (IPRs)[11]; and various national and regional IP offices in G20 jurisdictions have taken measures, which are mostly relevant for the maintenance of IP rights held by Ukrainian nationals, or those affected by the crisis.[12]

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[10] WTO document WT/MIN(22)/26, WT/L/1137, 17 June 2022.
[11] Viewed at, for example: https://www.legislation.gov.au/Details/F2021C00330.
[12] Viewed at, for example: https://euipo.europa.eu/ohimportal/en/news/-/action/view/9237969 and https://www.worldtrademarkreview.com/article/live-updates-ip-offices-respond-and-implement-measures-in-wake-of-invasion-of-ukraine.

14 November 2022

Twenty-eighth Report on G20 Investment Measures[1]

When the Global Financial Crisis broke out in 2008, G20 members committed to refrain from introducing new barriers to investment and trade.[2] They complemented this commitment by a request that WTO, OECD and UNCTAD monitor and report publicly on their new trade and investment policy measures. So far, 27 reports have been issued under this mandate.[3]

Two more global crises have since shaken the global community and economy. The COVID-19 pandemic and the war in Ukraine have profoundly disrupted and continue to disrupt the societies and economies and require global and national policy responses.

Several G20 members significantly restricted trade and investment to one or more countries in the context of the war in Ukraine. However, the overall stance of governments vis-à-vis international investment did not change, as the latter have not introduced new restrictions to investors from countries not associated with the invasion. As the previous, 27th report, this edition again inventorises measures that have been taken in response to the war in Ukraine since February 2022. These measures are included because they are highly consequential for international investment globally. They are included in separate Annexes Annex 3: Measures specific to FDI adopted in relation to the Russian Federation and Belarus in the context of the

[1] This report on investment measures is issued under the responsibility of the Secretary-General of the OECD and the Secretary-General of UNCTAD. It has no legal effect on the rights and obligations of member States of the OECD or UNCTAD. Nothing in this report implies any judgment, either direct or indirect, as to the consistency of any measure referred to in the report with the provisions of any OECD or UNCTAD agreement or any provisions thereof. As in previous reports, this document distinguishes between measures related to foreign direct investment (prepared jointly by OECD and UNCTAD) and measures related to other international capital flows (prepared solely by OECD). It introduces a new category of measures affecting FDI adopted in the context of the war in Ukraine, including sanctions against and by the Russian Federation and Belarus.

[2] G20 Leaders "Declaration of the Summit on Financial Markets and the World Economy", Washington, 15 November 2008.

[3] Earlier reports on investment measures by OECD and UNCTAD to G20 Leaders are available on the websites of the OECD and UNCTAD.

war in Ukraine and measures taken by the Russian Federation in this context (16 May to 15 October 2022) and Annex 4: Measures not specific to FDI adopted in relation to the Russian Federation and Belarus in the context of the war in Ukraine and measures taken by the Russian Federation in this context (16 May to 15 October 2022) to underscore their differing and potentially temporary nature.

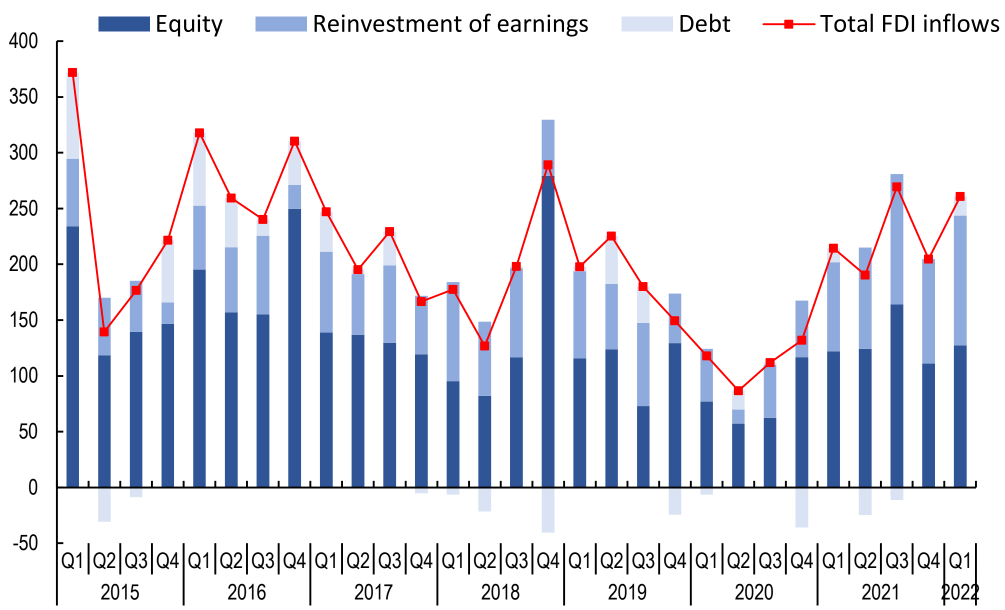
The report as a whole documents measures that G20 governments have taken between 16 May to 15 October 2022. As all previous reports in this series, it was jointly prepared by the OECD and UNCTAD Secretariats.

I. Development of Foreign Direct Investment (FDI) flows

Global FDI flows surged in 2021 and continued their upward trajectory in the first quarter of 2022, increasing by 28% compared to Q4 2021, to USD 535 billion. Global FDI flows reached their highest quarterly level in the past five years. On a year-over-year basis, global FDI flows increased by 15% compared to Q1 2021. However, the outlook remains uncertain given the current geopolitical context. [4]

Earnings on FDI recorded a significant upswing in 2021, particularly in OECD countries. Earnings remained high in the first quarter of 2022, contributing to the rising trend in FDI flows. Fewer of those earnings were distributed to foreign parent companies, resulting in higher levels of reinvested earnings (Figure 1).[5] Equity flows also contributed to the increase although that was unevenly distributed across individual G20 economies. Much of this increase was associated with Australia, which experienced record-high FDI inflows and outflows, reflecting intensified M&A activity in the first quarter of 2022. Intra-company debt flows turned to positive levels in G20 economies, but their impact on total FDI flows remained limited.

Figure 1: G20 FDI inflows by instrument, Q1 2015 – Q1 2022 (USD billions)



Note: ᵖ data for Q1 2022 are preliminary. G20 aggregate excludes data for P.R. China and Saudi Arabia who do not report on FDI components. Reinvestment of earnings for Indonesia and South Africa are included in the category "equity".
Source: OECD Foreign direct investment statistics database (for OECD-G20 countries)/UNCTAD (for non OECD-G20 countries).

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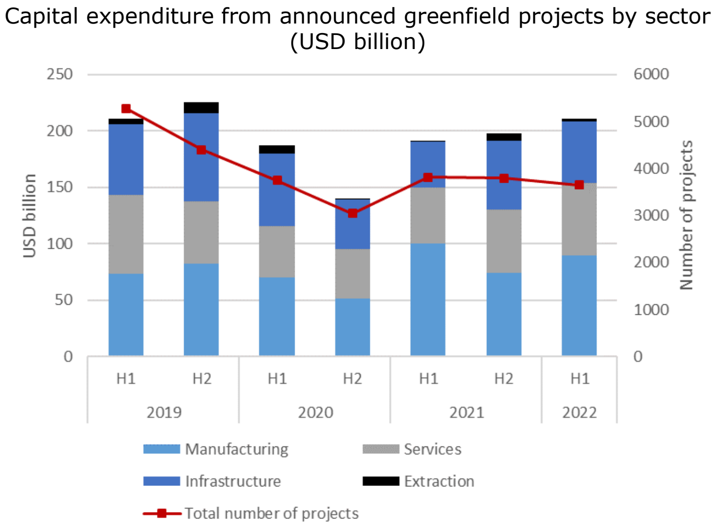
4 The most recent official FDI statistics for Q1 2022 are available in the OECD FDI statistics database. FDI trends analysis for 2021 are available in UNCTAD, *World Investment Report 2022, International tax reforms and sustainable investment*, June 2022 and OECD FDI statistics database. Analysis of FDI trends for the first half of 2022 is available in the UNCTAD, *Global Investment Trends Monitor*, October 2022 and in *OECD FDI in Figures*, October 2022.

5 Overall, 48% of earnings on inward FDI in OECD Member economies were distributed to foreign parents, compared to more than 55% in 2016-2020.

While new investment activity was generally strong in 2021, prospects for 2022 remain uncertain due to the war in Ukraine.[6] New greenfield project announcements in emerging and developing economies – which reflect trends in new capital expenditures on productive capacity – were contained.

The latest data on announced greenfield investment projects from the Financial Times fDI Markets database show signs of recovery from the COVID-19 pandemic for some economies. In the first half of 2022, total capital expenditure increased by 7% in G20 economies compared with second half of 2021 (Figure 2). On a sectoral level, the largest increase in capital expenditures was observed in manufacturing and services (by 21% and 14%, respectively).[7] Nevertheless, in the first half of 2022, the value of new announced investment projects in infrastructure declined by 10%, and in extractive industries (mainly coal, oil and gas) by 71% compared to the previous semester.

Figure 2. Cross-border investment activity in G20 economies



Source: FT FDI Markets database, OECD/UNCTAD calculations.

II. G20 members' investment policy measures

1. Investment policy measures specific to FDI and measures related to essential security interests

During the reporting period, G20 members made few adjustments to their investment policies, confirming a longer-time trend to less frequent adjustments in this area that was only interrupted in response to the COVID-19 pandemic, which saw more frequent changes.[8]

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6 See for details OECD (2022), FDI in Figures – April 2022 edition and OECD (2022), *International investment implications of Russia's war against Ukraine*.

7 In particular, in the first half of 2022 an important increase was recorded compared to the previous semester in the sector "business, machines and equipment", where the value of greenfield investment projects increased by 77% and for the sector "software and IT services", with an increase of 78%. Greenfield investment activity in the healthcare sector also grew in G20 economies, with an increase of 81% in the first half of 2022 relative to the previous period.

8 See for example the findings of the 22nd OECD/UNCTAD investment policy monitoring report, which was released in November 2019 and noted that only three G20 members had taken FDI-specific measures in the reporting period. The reports that covered the onset of the COVID-19 pandemic and the subsequent semesters, found that G20 Members had taken an unusually high number of investment policy measures in these reporting periods (see the 23rd OECD/UNCTAD Report on G20 Investment Measures, covering the period from 16 October

Furthermore, all changes to investment policies that G20 members made in the reporting period pertained to the implications that investments may have for their essential security interests (Annex 1: Recent investment policy measures related to FDI (16 May to 15 October 2022) – Reports on individual economies). Four G20 members adopted measures of this kind (Canada, Italy, Japan, and United States). This area of investment policy making continues to attract significant attention in G20 economies (and beyond).[9]

2. Measures adopted in relation to the Russian Federation and to Belarus in the context of the war in Ukraine and measures taken by the Russian Federation in this context

During the reporting period, nine G20 members adopted new measures in light of the continued war in Ukraine. Immediately after 24 February 2022, a number of G20 members and many other countries had already adopted a series of such measures.[10] These measures sought to stifle access to the benefits of international investment by the Russian Federation and designated individuals and entities close to the Russian Government.[11]

New measures adopted during the reporting period continue to target primarily the Russian Federation, but a number of G20 economies also adopted measures targeting individuals and entities in Belarus. These measures can be categorised in four broad categories:[12] First, measures that specifically target designated individuals and/or entities, subjecting them to financial and economic sanctions such as asset freezes. Second, investment-specific measures which ban or restrict investments related to the Russian Federation. And finally, financial measures not specific to FDI (e.g., measures related to capital controls, access to capital markets, selling of securities, among others). These measures continue to have considerable implications for cross-border capital flows and transactions to and from the Russian Federation. In response to these sanctions, the Russian Federation has continued to adopt new measures, including investment-specific measures and measures related to cross-border capital flows.

Detailed information on the measures is available in Annex 3: Measures specific to FDI adopted in relation to the Russian Federation and Belarus in the context of the war in Ukraine and measures taken by the Russian Federation in this context (16 May to 15 October 2022) for measures specific to FDI, and Annex 4: Measures not specific to FDI adopted in relation to the Russian Federation and Belarus in the context of the war in Ukraine and measures taken by the Russian Federation in this context (16 May to 15 October 2022) for measures not specific to FDI.

2019 to 15 May 2020, 24th OECD/UNCTAD Report on G20 Investment Measures (16 May to 15 October 2020), and the 25th OECD/UNCTAD Report on G20 Investment Measures (16 October 2020 and 15 May 2021).

9 See for a broader set of 62 economies, OECD (2021), "*Investment policy developments in 62 economies between 16 October 2020 and 15 March 2021*", and UNCTAD (2020), "*Investment Policy Monitor: Special Issue – Investment Policy Responses to the COVID-19 Pandemic*". For an analysis of the drivers of this trend, see UNCTAD (2019), "*Investment Policy Monitor: National Security-Related Screening Mechanisms For Foreign Investment. An Analysis of Recent Policy Developments*" as well as OECD (2020), "*Acquisition- and ownership-related policies to safeguard essential security interests – current and emerging trends, observed designs, and policy practice in 62 economies*".

10 As the previous report, the present edition focuses on sanctions and measures specific to international investment, related to investments in the territory of the Russian Federation and to investments originating in or associated in investors considered close to the Russian authorities. As such other sanctions unrelated to international investment or measures that affect international investment only indirectly are not covered in this report.

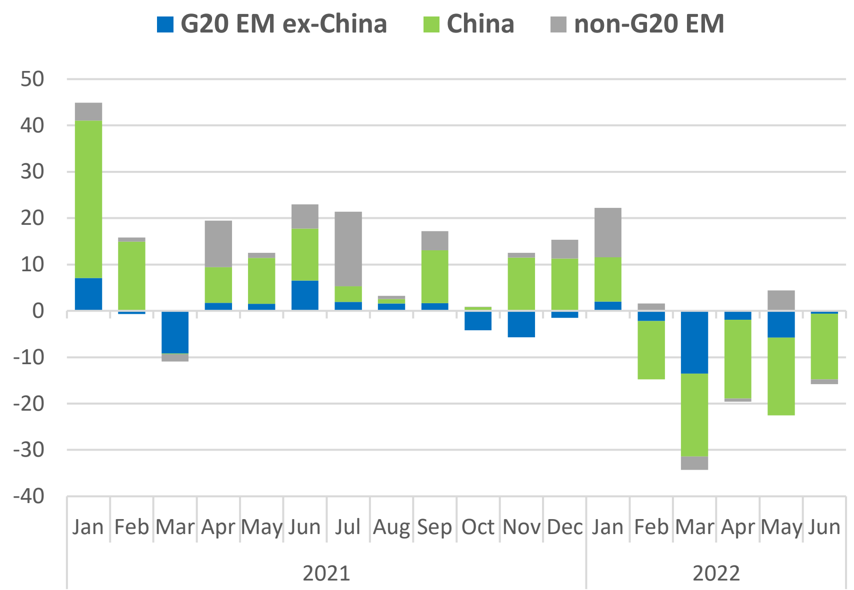
11 In addition to government measures, a considerable number of companies from a wide array of industries suspended their operations in the Russian Federation or withdrew and divested their operations from the country for various reasons, including reputational and liability risks, human rights considerations, volatile market conditions, and practical challenges to doing business as a result of the sanctions. These measures are not covered by this report as they are not attributable to G20 governments. For details on these measures see OECD (2022), *International investment implications of Russia's war against Ukraine*.

12 These categories have already been used for the 27th OECD/UNCTAD report on G20 investment measures.

4. *Capital flows and investment policy measures not specific to FDI*[13]

OECD data point to substantial and uninterrupted portfolio (debt) outflows from emerging markets (EMs) between February and June 2022 (latest month available). Emerging markets recorded cumulative portfolio outflows of USD 120 billion during the course of these five months – a greater volume than the dramatic but shorter-lived outflows of March and April 2020 at the height of the COVID-19 pandemic. Such outflows were seen mainly from P.R. China, but have also affected other G20 emerging market economies as well as non-G20 emerging economies (Figure 3).

Figure 3. Portfolio debt inflows to emerging markets (USD bln)



Source: OECD Monthly Capital Flow Dataset. Note: Sample of 20 emerging market economies (14 non-G20 and 6 G20). See dataset for detailed data and coverage description. [14]

The observed portfolio outflows may be driven by three global factors that have historically been associated with capital outflows from emerging markets. First of all is a particularly challenging global macrofinancial outlook for emerging markets, with inflation reaching double digits in several countries and the resulting acceleration in monetary policy normalisation away from the highly accommodative stance during the pandemic. In parallel to monetary policy tightening, the USD has rapidly appreciated against most currencies, while global risk aversion has gradually increased.

The war in Ukraine further accentuated this already complex outlook. While it is difficult to isolate its specific impact, the war increased global uncertainty and boosts global inflation, both factors representing a further drag on capital flows to emerging markets. The war also brought back geopolitics as a major factor driving investment decisions, with investors possibly fearing secondary sanctions or geopolitical issues in other emerging market economies. Country-specific contexts such as lockdowns in P.R. China to manage the spread of COVID-19, further contributed to the observed evolution of portfolio flows.

G20 members have so far rarely resorted to new or tighter measures on non-FDI transactions to stem these outflows and have generally relied on other macroeconomic policies to address volatility. Detailed

[13] This section on "Investment policy measures not specific to FDI" has been prepared by the OECD Secretariat under the responsibility of the Secretary-General of the OECD. Annex 2: Recent investment policy measures not specific to FDI (16 May to 15 October 2022) – Reports on individual economies provides information on the coverage, definitions and sources of the information contained in this section.

[14] The dataset is publicly available on the OECD website and updated quarterly at the following link: https://www.oecd.org/daf/inv/investment-policy/oecd-monthly-capital-flow-dataset.xlsx

information on the measures by country is available in Annex 2: Recent investment policy measures not specific to FDI (16 May to 15 October 2022) – Reports on individual economies.

5. International Investment Agreements

Between 16 May and 15 October 2022, the G20 members concluded two new bilateral investment treaties (BITs) and one "other IIA" 15: the Indonesia–Switzerland BIT, the Bahrain–Japan BIT and the Indonesia–United Arab Emirates Comprehensive Economic Partnership Agreement (CEPA). 16 In addition, Malaysia and Türkiye signed a protocol to amend the 2014 free trade agreement.17 During this reporting period, one BIT involving G20 members was effectively terminated;18 none of the BITs or "other IIAs" concluded by G20 members entered into force. As of 15 October 2022, the total number of IIAs worldwide stood at 2,850 BITs and 432 "other IIAs". 19 Data on G20 members' IIAs is available in Annex 5: G20 members' International Investment Agreements.

III. Overall policy implications

After a period in which G20 members had adjusted their investment policies to exceptional economic circumstances triggered by the COVID crisis and the war in Ukraine, the frequency of investment policy reform in G20 members has slowed again significantly. Investment policy action in G20 members now again focuses essentially on adjustments of policies that seek to address implications that foreign investment can occasionally have for essential security interests.

Despite their potential impact on international investment, such policies do not constitute a deviation from the general stance of openness to international investment, which remains paramount to address future crises, to achieve a swift and just transition to carbon neutrality, and to overcome the continued and deepening poverty across and within societies. In this regard, continued vigilance and commitment by G20 members is needed.

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[15] "Other IIAs" encompass a variety of international agreements with investment protection, promotion and/or cooperation provisions – other than BITs. They include free trade agreements (FTAs), regional trade and investment agreements (RTIAs), comprehensive economic partnership agreements (CEPAs), cooperation agreements, association agreements, economic complementation agreements, closer economic partnership arrangements, agreements establishing free trade areas, and trade and investment framework agreements (TIFAs). Unlike BITs, "other IIAs" may also cover plurilateral agreements.

[16] The Indonesia–Switzerland BIT was signed on 24 May 2022; the Bahrain–Japan BIT was signed on 23 June 2022; the Indonesia–United Arab Emirates CEPA was signed on 1 July 2022.

[17] The Protocol to Amend the Free Trade Agreement Between the Government of Malaysia and the Government of the Republic of Türkiye was signed on 29 September 2022, expanding the existing Malaysia–Türkiye FTA (2014).

[18] The Germany–Portugal BIT (1980) was terminated on 14 October 2022.

[19] The total number of IIAs is revised in an ongoing manner as a result of retroactive adjustments to UNCTAD's IIA Navigator.

Annex 1: Recent investment policy measures related to FDI (16 May to 15 October 2022) – Reports on individual economies

	Description of Measure	Date	Source
Argentina			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Australia			
Investment policy measures	Treasury doubled foreign investment fees for notification and applications made on or after 29 July 2022.	29 July 2022	Foreign Acquisitions and Takeovers Fees Imposition Regulations 2022, 29 July 2022.
Investment measures relating to national security	None during reporting period.		
Brazil			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Canada			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	On 2 August 2022, the Regulations Amending the National Security Review of Investments Regulations came into force. These Regulations provide an option for non-Canadian investors to obtain pre-implementation regulatory certainty with respect to a national security review of investment that do not require a filing under the Investment Canada Act (ICA). Where a voluntary filing is submitted, non-Canadian investors will benefit from a shorter period of 45 days (as compared to five years) during which the Canadian Government must initiate a national security review.	2 August 2022	Regulations Amending the National Security Review of Investments Regulations: SOR/2022-124, Canada Gazette, Part 2, Vol.156, Number 13, 3 June 2022.
P.R. China			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
France			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		

	Description of Measure	Date	Source
Germany			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
India			
Investment policy measures	None during reporting period		
Investment measures relating to national security	None during reporting period.		
Indonesia			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Italy			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	On 1 August 2022, the President of the Council of Ministers issued Decree No. 133. It regulates the functioning of the Council's coordination activities, setting out the procedure for pre-notification of prospective transactions and simplifying existing procedures under the special ("golden") powers established by Decree-Law No. 21 of 15 March 2012, as amended by Law N. 56 of 11 May 2012. It provides 30 days within which the authority should notify the applicant of whether or not a transaction is subject to screening and whether it should be notified via the ordinary FDI procedure. The Decree entered into force on 24 September 2022.	24 September 2022	Decreto del Presidente del Consiglio dei Ministri 1 agosto 2022, n. 133, GU Serie Generale n.211, 9 September 2022.
	On 15 July 2022, the Parliament adopted Law No. 91 introducing amendments to Decree-Law No. 50 of May 17, 2022. According to it, concessions for "cultivation of geothermal resources" become relevant under the scope of the national discipline.	15 July 2022	Legge 15 Luglio 2022, n. 91, (G.U. Serie Generale n. 164, 15 July 2022, entered into force on 15th of July 2022).
	Through Law No. 51/2022, which converted the Decree-Law No. 21 of 15 March 2022, the Parliament amended para 5 bis and inserted a para 7 bis to art. 2 of the Decree-Law No. 21 of 14 March 2002. The changes include: 1) the expansion of the foreign investment review by the government, covering the acquisition of control in companies holding strategic assets and greenfield investment in companies carrying activities or holding assets that are strategic for the foreign investment review purposes, if one or more non-EU individuals or entities hold at least 10% of the capital or voting rights; and the 2) the definition of non-EU individuals or entities, which was extended and now cover: any non-EU citizen or a citizen who is not resident, or does not have the main place of business, in the EU or in the European Economic Area (EEA); any entity that does not have its registered office, place of management or main place of business within the EU or the EEA; any entity that has its registered office, place of management or main place of business within the EU or the EEA, but which is directly or indirectly controlled by individuals or entities that fall within the categories above; or any individual or entity that has EU or EEA	20 May 2022	Legge 20 Maggio 2022, n. 51 - Normattiva, (GU Serie Generale n.117 del 20-05-2022).

	Description of Measure	Date	Source
	citizenship/nationality or established therein the residency, registered office, place of management or main place of business, if there are elements that suggest the intent to circumvent the rules.		
Japan			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	On 20 September 2022, the Act on Review and Regulation of the use of Real Estate Surrounding Important Facilities and on Remote Territorial Islands entered into force. The Act seeks to safeguard Japan's security interests by preventing the inappropriate use of real estate that impedes the functions of important facilities and border islands. It allows Japanese authorities to review the status of real estate usage of certain areas, designated as "monitored areas" or "special monitored areas". Among others, the Act requires buyers and sellers of real estate to submit a pre-notification to the Japanese authorities when the real estate is located in the "special monitored areas". This Act applies to both foreigners and nationals of Japan.	1 September 2022	Act on Review and Regulation of the use of Real Estate Surrounding Important Facilities and on Remote Territorial Islands, Law No. 84, 23 June 2021; Real Estate Usage Council Ordinance, Cabinet Order No. 207 of Reiwa 204, 1 June 2022; Basic Policy on Preventing the the use of Real Estate Surrounding Important Facilities and on Remote Territorial Islands, Cabinet Office, 16 September 2022; Order for Enforcement of the Act on Review and Regulation of Real Estate Usage in the Vicinity of Important Facilities and on Remote Border Islands; Ordinance for Enforcement of the Act on Review and Regulation of Real Estate Usage in Areas Surrounding Important Facilities and on Border Outlying Islands.
Republic of Korea			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Mexico			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Russian Federation			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		

	Description of Measure	Date	Source
Saudi Arabia			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
South Africa			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Türkiye			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
United Kingdom			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during the reporting period.		
United States			
Investment policy measures	None during reporting period.		
Investment measures relating to security	None during reporting period.		
European Union			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		

Methodology for the inventory presented in Annex 1 — Coverage, Definitions and Sources

Reporting period. The reporting period of the present document is from 16 May 2022 to 15 October 2022. An investment measure is counted as falling within the reporting period if new policies were adopted or entered into force during the period.

Investment. For the purpose of the inventory presented in Annex 1, international investment is understood to include only foreign *direct* investment. Investment policy measures not specific to FDI are not included in this inventory but shown in Annex 2 of this report.

Investment measure. For the purposes of this Annex, investment measures consist of any action that either: imposes or removes differential treatment of foreign or non-resident investors compared to the treatment of domestic investors in like situations. Reporting on such policy measures has no legal effect on the rights and obligations of member states of the WTO, OECD, or UNCTAD.

National security. International investment law, including the OECD investment instruments, recognises that governments may need to take measures to safeguard essential security interests and public order. For the purpose of this report, national security related measures are understood as including policies which relate to national security risks associated with the acquisition, ownership or control of assets. National security related measures are included irrespective of whether the measure applies to foreigners only or whether it also covers nationals of the country that takes the measure. The investment policy community at the OECD and UNCTAD monitors these measures to help governments adopt policies which are effective in safeguarding national security and to ensure that they are not disguised protectionism.

Sources of information and verification. The sources of the information presented in this report are:

- official notifications made by governments to various OECD processes (e.g. the Freedom of Investment Roundtable or as required under the OECD investment instruments);
- information contained in other international organisations' reports or otherwise made available to the OECD and UNCTAD Secretariats;
- other publicly available sources: specialised web sites, press clippings etc.

Investment measures included in this report have been verified by the respective G20 members.

Annex 2: Recent investment policy measures not specific to FDI (16 May to 15 October 2022) – Reports on individual economies[20]

Description of Measure	Date	Source
Argentina		
As of 2 June 2022, resident individuals who export services from non-residents will be able to have up to USD 12,000 per year in accounts in local financial entities without the requirement of settlement in ARP. The condition for using this mechanism is that they do not acquire foreign currency through the financial system and that income above that amount must be settled.	2 June 2022	*"El BCRA creó un régimen de disponibilidad de divisas para exportadores de servicios"*, Banco Central de la República Argentina, 2 June 2022.
On 16 June 2022, the Central Bank of Argentina (BCRA) announced that Argentinean nationals residing abroad will be able to receive pensions, annuities or life annuities in a bank account from their country of residence.	16 June 2022	*"Las personas jubiladas que viven en el exterior podrán cobrar en divisas"*, Banco Central de la República Argentina, notice, 16 June 2022.
As of 27 June 2022, Argentinian energy companies will be granted limited access to the official foreign exchange window to repay debt, make dividend payments and to repatriate direct investments of non-residents based on crude oil and natural gas produced above 2021 volumes. Access to the foreign exchange market will not require the prior approval of the BCRA.	27 June 2022	Energy companies will be granted limited access to the official FX window, 27 June 2022.
On 21 July 2022, the BCRA announced that non-resident tourists would now be able to sell foreign exchange at the reference value of the USD to authorized entities for a maximum amount of USD 5,000 per month.	21 July 2022	*"Los turistas no residentes podrán vender divisas al valor del dólar financiero"*, Banco Central de la República Argentina, notice, 21 July 2022.
On 4 August 2022, the BCRA introduced a new mechanism for incentivising external pre-financing of exports as well as allowed access to USD-linked sight accounts for exporters who anticipate settlements in more than 30 days.	4 August 2022	*"Incentivo para la prefinanciación externa de exportaciones"*, Banco Central de la República Argentina, notce, 4 August 2022.
Australia		
None during reporting period.		
Brazil		
None during reporting period.		
Canada		
On 23 June 2022, the Canadian Parliament adopted the Prohibition on the Purchase of Residential Property by Non-Canadians Act, which will enter into force on 1 January 2023. It will prohibit non-Canadians to purchase, directly or indirectly, certain types of residential property, with some targeted exceptions.	1 January 2023	Prohibition on the Purchase of Residential Property by Non-Canadians Act, 23 June 2022.
P.R. China		
As of 24 June 2022, the Chinese Securities Regulatory Commission announced the inclusion of exchange trade open ended funds (ETF) in the interconnection mechanism between China and Hong Kong (China).	24 June 2022	[Announcement No. 39], Announcement on the Inclusion of Exchange-traded Open-end Funds into Connectivity-Related Arrangements, China Securities Regulatory Commission, 24 June 2022.

20 This inventory has been established by the OECD Secretariat under the responsibility of the Secretary-General of the OECD.

Description of Measure	Date	Source
On 27 May 2022, People's Bank of China and the Securities Regulatory Commission announced that effective 30 June 2022, foreign financial institutions may trade bonds and invest in derivatives on its exchange market.	30 June 2022	People's Bank of China, China Securities Regulatory Commission Announcement [2022] No. 4 of the State Administration of Foreign Exchange, State Administration of Foreign Exchange, 27 May 2022.
On 4 July 2022, the People's Bank of China, the Hong Kong Securities and Futures Commission and the Hong Kong Monetary Authority announced the launch of the "Swap Connect", a mechanism for mutual access between the Hong Kong and Mainland interest rate swap markets. This will allow investors mutual access between Hong Kong and overseas investors to participate in China's interbank derivatives market with respect to trading, clearing and settlement. This measure will come into effect six months following the announcement.	4 January 2023	Mutual access between the Hong Kong and Mainland interest rate swap markets, the People's Bank of China, Press Release, 4 July 2022.
On 28 July 2022, the China Securities Regulatory Commission officially launched the China-Switzerland Stock Connect, allowing companies from each market to access investor pools in the other market and raise capital by issuing and listing Global Depositary Receipts on the Chinese exchanges.	28 July 2022	China-Switzerland Stock Connect Officially Launched, China Securities Regulatory Commission, China Securities Regulatory Commission, Press Release, 22 July 2022.
To improve foreign exchange management at financial institutions, the People's Bank of China decided to reduce the reserve requirement ratio for foreign currency deposits by 2 percentage points from 8% to 6%, which will be effective on 15 September 2022.	15 September 2022	PBC Decides to Reduce Reserve Requirement Ratio for Foreign Currency Deposits, People's Bank of China, Press Release, 5 September 2022.
In order to stabilize foreign exchange market expectations and strengthen macro-prudential management, the People's Bank of China decided to raise the foreign exchange risk reserve ratio for forward foreign exchange sales from zero to 20 percent, effective from 29 September 2022.	28 September 2022	The PBC raises risk reserve ratio for forward FX sales to 20 percent, People's Bank of China, Press Release, 26 September 2022.
France		
None during reporting period.		
Germany		
None during reporting period.		
India		
On 6 July 2022, the Reserve Bank of India announced that from 7 July 2022 until 31 October 2022, the interest rate ceiling applicable to Foreign Currency (Non-resident) Accounts (Banks) – FCNR (B) deposits will be withdrawn and that existing restrictions on the interest rates on Non-Resident (External) Rupee (NRE) Deposits will be lifted.	6 July 2022	Master Direction on Interest Rate on Deposits - Foreign Currency (Non-resident) Accounts (Banks) Scheme [FCNR(B)] and Non-Resident (External) Rupee (NRE) Deposit, Reserve Bank of India, Notification, RBI/2022-23/82 DOR.SOG (SPE). REC.No 53/13.03.000/2022-23, 6 July 2022.
On 7 July 2022, the Reserve Bank of India announced the addition of two additional government securities (respectively of 7-year and 14 year tenors) to the "fully accessible route" for investments by non-residents in government securities.	7 July 2022	'Fully Accessible Route' for Investment by Non-residents in Government Securities – Additional specified securities, Reserve Bank of India, Notification, RBI/2022-23/86 FMRD.FMID.No.04/14.01.006/2022-23, 7 July 2022.
On 7 July 2022, the Reserve Bank of India exempted Foreign Portfolio Investors (FPI) from the existing 30% limit on short-term investments in government securities and corporate bonds. In addition, the Reserve Bank of India exempted investments by Foreign Portfolio Investors in corporate bonds from the existing requirement of a minimum residual maturity of one year. Investments are exempted if they are made between 8 July 2022 and 31 October 2022 and until they reach maturity or until their sale.	8 July 2022	Investment by Foreign Portfolio Investors (FPI) in Debt – Relaxations, Reserve Bank of India, Notification, RBI/2022-23/87 A.P. (DIR Series) Circular No.07, 7 July 2022.

Description of Measure	Date	Source
On 7 July 2022, the Reserve Bank of India announced that from 8 July 2022 to 31 October 2022, Authorised Dealer Category-I banks would be allowed to utilise overseas foreign currency borrowing (OFCBs) for lending in foreign currency to entities for different set of end-use purposes.	8 July 2022	Overseas foreign currency borrowings of Authorised Dealer Category-I banks, Reserve Bank of India, Notification RBI/2022-23/88, A. P. (DIR Series) Circular No. 08, 7 July 2022.
On 28 July 2022, the Reserve Bank of India increased the limit of External Commercial Borrowings (ECB) that eligible borrowers are allowed to raise per financial year from USD 750 million to USD 1,500 million. The increase is available for External Commercial Borrowings (ECB) raised until 31 December 2022.	28 July 2022	Foreign Exchange Management (Borrowing and Lending) (Amendment) Regulations, 2022, Reserve Bank of India, Notification, No. FEMA .3(R)(3)/2022-RB, 28 July 2022.
On 1 August 2022, India increased, until 31 December 2022, the automatic route limit for external commercial borrowings (ECBs) from USD 750 million or equivalent to USD 1.5 billion, as well as the all-in-cost ceiling for ECBs, by 100 bps.	1 August 2022	External Commercial Borrowings (ECB) Policy – Liberalisation Measures, Reserve Bank of India, Notification, RBI/2022-23/98, A.P. (DIR Series) Circular No. 11.
On 5 August 2022, the Reserve Bank of India announced that it would enable Standalone Primary Dealers (SPDs) to offer all foreign exchange market-making facilities, currently restricted for limited purposes, as well as to undertake Foreign Currency Settled Overnight Indexed Swap (FCS-OIS) transactions directly with non-residents and other market-makers.	5 August 2022	*"Statement on Developmental and Regulatory Policies"* , Reserve Bank of India, Press Release, 5 Augsut 2022.
On 22 August 2022, the Reserve Bank of India adopted a new Overseas Investment regime that simplifies the existing framework for overseas investment by Indian residents, including an enhanced clarity of definitions, the introduction of new concepts and the dispensation of approval requirements for different operations.	22 August 2022	Foreign Exchange Management (Overseas Investment) Rules, 2022, Ministry of Finance, Department of Economic Affairs, 22 August 2022; Foreign Exchange Management (Overseas Investment) Regulations, 2022, Reserve Bank of India, No. FEMA 400/2022-RB, 22 August 2022; Foreign Exchange Management (Overseas Investment) Directions, 2022, RBI/2022-2023/110 A.P. (DIR Series) Circular No.12, 22 August 2022.
Indonesia		
None during reporting period.		
Italy		
None during reporting period.		
Japan		
None during reporting period.		
Republic of Korea		
None during reporting period.		
Mexico		
None during reporting period.		
Russian Federation		
As of 1 August 2022, the Central Bank of Russia increased mandatory reserve requirements by 1pp to 3% for all RUB denominated liabilities for banks with a	1 August 2022	*"Bank of Russia to increase required reserve ratios from*

Description of Measure	Date	Source
universal licence and non-bank credit institutions; and by 3pp to 5% for all categories of reservable liabilities in foreign currency depending on the type of institution.		*August"*, Central of Russia, Press Release, 25 July 2022.
Saudi Arabia		
None during reporting period.		
South Africa		
None during reporting period.		
Türkiye		
On 10 June 2022, the Central Bank of Türkiye increased from 10 to 20% the reserve requirement ratio for TRY-denominated commercial cash loans (asset side).	10 June 2022	*"Press Release on Reserve Requirements and Maintenance of Turkish Lira-Denominated Securities for Foreign Currency Liabilities"*, Central Bank of the Republic of Türkiye, Press Release No. 2022-28, 10 June 2022.
On 23 June 2022, the Turkish Banking Regulation and Supervision Agency (BDDK) introduced a 500% risk weight on loans extended to legal entities performing derivative transactions with non-residents.	23 June 2022	Decision Number: 10248, BDDK., 23 June 2022.
On 24 June 2022, the Turkish Banking Regulation and Supervision Agency (BDDK) announced a new directive on June 24 banning TRY-based commercial loans to some firms. According to the directive, a company with foreign currency cash assets of more than TRY 15 million (USD 895,000; EUR 856,600) and exceeding 10% of total assets or annual sales, will not be able to obtain a new local-currency loan and may have to sell foreign exchange holdings.	24 June 2022	Board Decision 10250, BDDK, 24 June 2022.
On 18 August 2022, the Central Bank of Türkiye decided to replace the asset-based reserve requirements on credit growth by a maintenance of securities. In addition, it increased the maintenance ratio to 30% for banks with a loan growth rate above 10% (except for the priority sectors).	18 August 2022	*"Press Release on Macroprudential Measures"*, Central Bank of the Republic of Türkiye, Press Release, 20 August 2022.
United Kingdom		
None during reporting period.		
United States		
None during reporting period.		
European Union		
None during reporting period.		

Methodology for the inventory presented in Annex 2 — Coverage, Definitions and Sources

Reporting period. The reporting period of the present document is from 16 May 2022 to 15 October 2022. An investment measure is counted as falling within the reporting period if new policies were adopted or entered into force during the period.

Investment. For the purpose of the inventory presented in Annex 2, international investment is understood to include all international capital movements; however, measures specifically concerning foreign direct investment are not reported in this Annex, but rather in Annex 1 of the present document.

Investment measure. For the purposes of this Annex 2, investment measures consist of any action that either (i) imposes or removes differential treatment of foreign or non-resident investors compared to the treatment of domestic investors in like situations; or (ii) imposes or removes restrictions on international capital movements.

Reporting on international capital movements has no legal effect on the rights and obligations of member states of the WTO, OECD, or UNCTAD.

Sources of information and verification. The sources of the information presented in this report are:

- official notifications made by governments to various OECD processes (e.g. the Freedom of Investment Roundtable or as required under the OECD investment instruments);
- information contained in other international organisations' reports or otherwise made available to the OECD Secretariat;
- other publicly available sources: specialised web sites, press clippings etc.

Investment measures included in this report have been verified by the respective G20 members.

Annex 3: Measures specific to FDI adopted in relation to the Russian Federation and Belarus in the context of the war in Ukraine and measures taken by the Russian Federation in this context (16 May to 15 October 2022)

Description of Measure	Date	Source
Argentina		
None during reporting period.		
Australia		
None during reporting period.		
Brazil		
None during reporting period.		
Canada		
None during reporting period.		
P.R. China		
None during reporting period.		
France		
France implements and applies sanctions and measures adopted by the EU.		
Germany		
Germany implements and applies sanctions and measures adopted by the EU.		
India		
None during reporting period.		
Indonesia		
None during reporting period.		
Italy		
Italy implements and applies sanctions and measures adopted by the EU.		
Japan		
Between 7 June and 7 October 2022, the Government of Japan announced and promulgated a series of measures that, among others, designate individuals and entities (including banks) from the Russian Federation and Belarus as well as individuals from Ukraine's eastern and southern regions directly concerned with the Russian Federation's purported "incorporation" of these regions as subject to asset freeze.	7 June 2022; 5 July 2022; 7 October 2022	Measures based on the Foreign Exchange and Foreign Trade Law on the situation in Ukraine, Ministry of Foreign Affairs, of 7 June 2022, 5 July 2022 and 7 October 2022.

Description of Measure	Date	Source
Republic of Korea		
None during reporting period.		
Mexico		
None during reporting period.		
Russian Federation		
On 28 June 2022, the Government of the Russian Federation adopted Federal Law No. 213-FZ, which permits the use of the results of intellectual activity and the names or designations of goods for parallel import.	28 June 2022	Federal Law No. 213-FZ "On Amendments to Article 18 of the Federal Law "On Amendments to Certain Legislative Acts of the Russian Federation"", 28 June 2022.
On 30 June 2022, the Government of the Russian Federation adopted Decree No. 416 "On the Application of Special Economic Measures in the fuel and energy sector in connection with the unfriendly actions of certain foreign states and international organisations". The Executive Order was signed in accordance with Federal Law On Special Economic Measures and Coercive Measures of 30 December 2006 and Federal Law On Measures (Countermeasures) in Response to Unfriendly Actions of the United States and Other Foreign States of 4 June 2018. The Executive Order will allow for the establishment of a Russian Limited Liability Company that will take over the rights and obligations of Sakhalin Energy Investment Company. The Company had previously been established under the framework of the Agreement for the Development of the Piltun-Askokhskoye and Lunskoye Oil and Gas Fields on the Basis of Production Sharing of 22 June 1994.	30 June 2022	Decree No. 416 "On the Application of Special Economic Measures in the fuel and energy sector in connection with the unfriendly actions of certain foreign states and international organisations", 30 June 2022.
On 14 July 2022, the Government of the Russian Federation adopted Federal Law No. 341-FZ, which allows the Russian Government to establish a procedure to introduce, circulate and/or remove out of circulation goods subject to mandatory labelling without applying any identification means to them.	14 July 2022	Federal Law No. 341-FZ "On Amendments to Article 8 of the Federal Law "On the Basics of State Regulation of Trade Activities in the Russian Federation", 14 July 2022.
On 8 September 2022, the Government of the Russian Federation adopted Decree No. 618, which complements measures specified in previous Decrees No. 81 ("On Additional Temporary Economic Measures to Ensure the Financial Stability of the Russian Federation" of 1 March 2022) and No. 95 ("On the Temporary Procedure for Fulfilling Obligations to Certain Foreign Creditors" of 5 March 2022). It introduces new restrictions on certain transactions in Russian limited liability companies (LLC) for foreign investors "associated with States undertaking unfriendly actions with respect to the Russian Federation". It establishes a special procedure for transactions between citizens and foreign individuals that are citizens of foreign countries engaged in "unfriendly actions" against the Russian Federation, Russian legal entities or physical persons. More specifically, it concerns transactions which involve the direct or indirect establishment, change or termination of the rights of ownership, use or disposal of interest in the equity capital of limited liability companies or other rights that are relevant to the management or the activities of these companies (with some exceptions). A similar procedure has been in effect since March 2022 for transactions with real estate and securities of joint stock companies. Such specified transactions may be implemented upon permission of the Commission on Monitoring Foreign Investment.	8 September 2022	Decree No. 618 "On the Special Procedure for the implementation (execution) of certain types of transactions (operations) between certain persons", 8 September 2022.
Saudi Arabia		
None during reporting period.		
South Africa		
None during reporting period.		

Description of Measure	Date	Source
Türkiye		
None during reporting period.		
United Kingdom		
Between 15 July and 19 July 2022 the United Kingdom adopted several amendments to The Russia (Sanctions) (EU Exit) Regulations 2019, which introduce new bans and restrictions on investment in relation to the Russian Federation by UK persons or other persons in the UK (as defined in the 2019 Regulations). These include a restriction relating to direct or indirect acquisitions of any ownership interests in land in the Russian Federation and in entities connected with or having a place of business in the Russian Federation. These measures also introduce a prohibition of the direct or indirect establishment of commercial arrangements (e.g. branches) in the Russian Federation and joint ventures with persons connected with the Russian Federation. They also prohibit investment services directly related to those activities.	15 July 2022; 19 July 2022	The Russia (Sanctions) (EU Exit) (Amendment) (No. 11) Regulations 2022, 15 July 2022; The Russia (Sanctions) (EU Exit) (Amendment) (No. 12) Regulations 2022, 19 July 2022; The amending Regulations adopted with respect to the Russia (Sanctions) (EU Exit) Regulations 2019 are listed on the Government of the United Kingdom's Financial sanctions, Russia Guidance, as updated from time to time.
United States		
On 6 June 2022, OFAC published new and amended "Frequently Asked Questions" (FAQs) regarding the ban on investments in the Russian Federation imposed under Executive Orders 14066, 14068 and 14071, which were issued on 8 March, 11 March and 6 April 2022 respectively (these Executive Orders were reported on in the previous 27th Report) and which pertain more specifically to bans and restrictions to new investments relating to the Russian Federation. The FAQs clarify the term "new investment" as used in the Executive Orders. They also provide further guidance on prohibited activities and those activities which fall outside the scope of prohibition under the above-cited Executive Orders. Similarly, on 9 June 2022, OFAC published new "Frequently Asked Questions" (FAQs) that provide further guidance on the prohibition on the export of certain services pursuant to Executive Order 14071 and the Determination Pursuant to Section 1(a)(ii) of Executive Order 14071.	6 June 2022; 9 June 2022	*Frequently Asked Questions*, U.S. Department of the Treasury, OFAC, as updated from time to time.
European Union		
None during reporting period.		

Methodology for the inventory presented in Annex 3 — Coverage, Definitions and Sources

Reporting period. The reporting period of the present document is from 16 May to 15 October 2022. A measure specific to FDI adopted in relation to the Russian Federation and Belarus in the context of the war in Ukraine and measures taken by the Russian Federation in this context is counted as falling within the reporting period if new policies were adopted or entered into force during the period.

Investment. For the purpose of the inventory presented in Annex 3, international investment is understood to include only foreign *direct* investment. Investment policy measures not specific to FDI adopted in relation to the Russian Federation and Belarus in the context of the war in Ukraine and measures taken by the Russian Federation in this context are not reported in this Annex, but rather in Annex 4 of the present document.

Investment measure specific to FDI adopted in relation to the Russian Federation or Belarus in the context of the war in Ukraine and measures taken by the Russian Federation in this context. For the purposes of this Annex 3, investment measures specific to FDI are understood to encompass measures impacting foreign *direct* investment and international investment. These include investment-related measures as well as targeted financial measures and asset freezes, among others. Measures which *can also* affect international investment are not included, and neither are features of investment-related measures that fall within the scope of the report but which do not pertain to foreign *direct* investment. As such, trade measures such as import- (including tariffs) and export-measures are however excluded from the scope of this report. Are also excluded from the scope of this report exceptions to prohibitions as well as permits and/or licences which may authorise certain activities and transactions that are otherwise prohibited under the measures reported on. Reporting on such policy measures has no legal effect on the rights and obligations of member states of the WTO, OECD, or UNCTAD.

Sources of information and verification. The sources of the information presented in this report are:

- official government websites and sources on national sanctions' regimes;
- information contained in other international organisations' reports or otherwise made available to the OECD Secretariat;
- other publicly available sources: specialised web sites, press clippings etc.

Investment measures included in this report have been verified by the respective G20 members.

Annex 4: Measures not specific to FDI adopted in relation to the Russian Federation and Belarus in the context of the war in Ukraine and measures taken by the Russian Federation in this context (16 May to 15 October 2022)[21]

Description of Measure	Date	Source
Argentina		
None during reporting period.		
Australia		
Between 18 May and 30 September 2022 (inclusive), the Department of Foreign Affairs and Trade made six amendments to the Autonomous Sanctions (Designated Persons and Entities and Declared Persons – Russia and Ukraine) List 2014. These amendments designate persons and/or entities for targeted financial measures and declare persons for travel bans. Persons and entities that are subject to targeted financial sanctions are listed in the Consolidated List which is maintained by the Department of Foreign Affairs and Trade.	30 September	Autonomous Sanctions (Designated Persons and Entities and Declared Persons – Russia and Ukraine) List 2014, 30 September 2022; Further Australian Support to Ukraine, Prime Minister, 4 July 2022; Consolidated List of financial sanctions, maintained by the Department of Foreign Affairs and Trade.
Brazil		
None during reporting period.		
Canada		
Between 18 May and 29 September, the Government of Canada adopted several amendments to the Special Economic Measures (Russia) Regulations (the Russia Regulations) and the Special Economic Measures (Ukraine) Regulations (the Ukraine Regulations). The last amendments to the Russia Regulations entered into force on 14 October 2022. The last amendments to the Ukraine Regulations entered into force on 29 September 2022. Similarly, on 27 June 2022, the Government of Canada adopted an amendment to the Special Economic Measures (Belarus) Regulations (the Belarus Regulations). These add further individuals and entities to the list of designated persons and entities subject to targeted financial sanctions, including individuals and entities linked to the Russian defence sectors, Ukrainian individuals supporting the Russian occupation of Ukraine, and Belarusian individuals.	18 May 2022; 27 May 2022; 7 June 2022; 25 June 2022; 27 June 2022; 7 July 2022; 14 July 2022; 29 July 2022; 2 August 2022; 19 August 2022; 29 September 2022; 14 October 2022	Special Economic Measures (Russia) Regulations, Government of Canada, 17 March 2014, as amended and consolidated from time to time. The successive and separate amendments to the Russia Regulations are listed here; Special Economic Measures (Ukraine) Regulations, Government of Canada, 17 March 2014, as amended and consolidated from time to time. The successive and separate amendments to the Ukraine Regulations are listed here; Special Economic Measures (Belarus) Regulations, Government of Canada, 28 September 2020, as amended and consolidated from time to time. The successive and separate amendments to the 'Belarus Regulations' are listed here; Consolidated Canadian Autonomous Sanctions List, as updated from time to time; Sanctions Economic Measures Act, Government of Canada,

[21] This inventory has been established by the OECD Secretariat under the responsibility of the Secretary-General of the OECD.

Description of Measure	Date	Source
		4 June 1992, as amended from time to time.
P.R. China		
None during reporting period.		
France		
France implements and applies sanctions and measures adopted by the EU.		
Germany		
Germany implements and applies sanctions and measures adopted by the EU.		
India		
None during reporting period.		
Indonesia		
None during reporting period.		
Italy		
Italy implements and applies sanctions and measures adopted by the EU.		
Japan		
Between 7 June and 7 October 2022, the Government of Japan adopted measures that, among others, designate additional individuals and entities (including two Russian Banks and one Belarusian bank) from the Russian Federation and Belarus from Ukraine's eastern and southern regions directly concerned with the Russian Federation's purported "incorporation" of these regions as subject to asset freezes and licencing requirements.	7 June 2022; 5 July 2022; 7 October 2022	Measures based on the Foreign Exchange and Foreign Trade Law on the situation in Ukraine, Ministry of Foreign Affairs, of 7 June 2022, 5 July 2022 and 7 October 2022.
On 5 July 2022, the Government of Japan promulgated measures that prohibit the provision of trust services, accounting and auditing services, and management consulting services offered to the Russian Federation. These became effective on 5 September 2022	5 July 2022	Measures based on the Foreign Exchange and Foreign Trade Law on the situation in Ukraine, Government of Japan, Ministry of Foreign Affairs, 5 July 2022.
Republic of Korea		
None during reporting period.		
Mexico		
None during reporting period.		
Russian Federation		
From 20 May 2022, banks will be able to sell any cash foreign currency to citizens without restrictions, except for USD and EUR.	20 May 2022	*"The Bank of Russia softened the temporary procedure for cash*

Description of Measure	Date	Source
		"transactions", Central Bank of Russia. 19 May 2022.
On 26 May 2022, the delay for the mandatory sale of foreign currency credit to exporters' accounts was increased to 120 business days (previously increased from 3 to 60) and the share of proceeds to be converted was reduced from 80% to 50% of foreign currency proceeds.	26 May 2022	*"The Bank of Russia extended the term for the sale of foreign exchange earnings by exporters to 120 working days"*, Central Bank of Russia, 26 May 2022.
On 30 May 2022, the Governmental Commission generally licensed transfer of funds in foreign currency by residents individuals to their accounts opened with banks and other financial market organisations located in the territory of friendly states as a result of transfers from their foreign accounts.	30 May 2022	*"Meeting of the Russian Governmental Commission for Control over Foreign Investment No. 56/1"*, Ministry of Finance, 30 May 2022.
From 30 May 2022, the Government of the Russian Federation decided to limit the circulation of foreign securities blocked by international settlement and clearing organisations on organised trading, with the exception of securities of foreign issuers that carry out production and economic activities mainly in the Russian Federation.	30 May 2022	*"The Bank of Russia restricted exchange trading in foreign securities blocked by international depositories"*, Central Bank of Russia, 30 May 2022.
On 14 June 2022, the Governmental Commission generally licensed transactions to credit foreign accounts of residents individuals with funds in foreign currency received from non-residents through transfer of rights to immovable property outside of the Russian Federation, through the transfer of rights to securities, or through redemption of securities held with a foreign depository, foreign bank or other organisation abroad.	14 June 2022	Meeting of the Russian Governmental Commission for Control over Foreign Investment No. 62/1, Ministry of Finance, 14 June 2022.
On 15 June 2022, the Governmental Commission generally licensed transactions carried out by residents that entail title to immovable property sold at auction and belonging to bankrupt resident legal persons controlled by foreign entities associated with "unfriendly states".	15 June 2022	Meeting of the Russian Governmental Commission for Control over Foreign Investment No. 63, Ministry of Finance, 15 June 2022.
On 21 June 2022, the Governmental Commission generally licensed crediting of foreign currency proceeds by residents participating in foreign economic activities to their accounts opened abroad, as well as transactions carried out by residents that involve transfer of the rights to immovable property alienated by foreign legal entities associated with "unfriendly states".	21 June 2022	Meeting of the Russian Governmental Commission for Control over Foreign Investment No. 64/1, Ministry of Finance, 21 June 2022. Meeting of the Russian Governmental Commission for Control over Foreign Investment No. 64/4, Ministry of Finance, 21 June 2022.
On 22 June 2022, the Government of the Russian Federation introduced a temporary procedure for the execution of Russian sovereign debt obligations from Russian Eurobonds where holding rights of Eurobond holders are accounted for in Russian depositories with or without the participation of foreign depositories.	22 June 2022	Presidential Decree No. 394 "On temporary procedure for the execution of Russian sovereign debt obligations to residents and foreign creditors, expressed in sovereign securities with nominal value indicated in foreign currency", 22 June 2022.
Starting from 24 June 2022, Russian residents are not required to obtain an individual permit from the Central Bank of Russia to pay for stakes, deposits or shares in non-residents' assets if the funds are transferred in RUB or in the currency of a "friendly state". When a payment is made in the currency of an "unfriendly state", such transaction may however not exceed an equivalent of RUB 15 million.	24 June 2022	*"The Bank of Russia eased the requirements for residents on contributions to the authorized capital of foreign companies"*, Central Bank of Russia, 24 June 2022.
From 1 July 2022, Russian resident individuals have the right to transfer within a calendar month from their account in a Russian bank to their account abroad or to another person no more than USD 1 million or the equivalent amount in another foreign currency (previously USD 150,000).	1 July 2022	*"The Bank of Russia continues to remove previously introduced currency restrictions"*, Central Bank of Russia, 30 June 2022.
On 14 July 2022, the Government of the Russian Federation adopted Federal Law No. 319-FZ, which amends the existing conversion mechanism of depository receipts into the underlying Russian shares without the participation of the foreign depositary bank. This procedure allows Russian holders of depository receipts to circumvent the imposed sanctions and apply to the Russian Custodian for mandatory conversion of the depository receipts to the Russian shares. Additionally, a similar procedure is established for mandatory transfer of the underlying Russian shares from a broker's foreign nominee account to a holder depo share account without the broker's consent. These changes entered into force on 14 July 2022.	14 July 2022	Federal Law No. 319-FZ "On Amendments to Certain Legislative Acts of the Russian Federation", 14 July 2022.

Description of Measure	Date	Source
On 20 July, the Central Bank of Russia cancelled the 30% limit on advance payments in favour of non-residents under import contracts for services, works, results of intellectual activity, which had been in effect since April this year. It also allowed non-resident banks from “unfriendly states” to enter into transactions in the Russian foreign exchange market for the purchase and sale of one foreign currency in exchange for another, as well as the corresponding delivery currency forwards and swap agreements. The prices in these contracts should however not deviate by more than 2% from the prices for similar instruments in Russian exchange trading and international markets at the time of conclusion. Until that date, for all non-residents from “unfriendly states”, there was a ban on the purchase and sale of foreign currency - both for RUB and for other foreign currencies. The ban remains for RUB transactions, as well as for non-residents who are not banks.	20 July 2022	*“The Bank of Russia eased the requirements for importing companies and non-resident banks”*, Central Bank of Russia. 20 July 2022.
On 20 July 2022, the Governmental Commission generally licensed, until 1 October 2022, foreign exchange transactions carried out by residents and relating to the granting of loans in foreign currency to non-residents that are not foreign persons associated with “unfriendly states” and foreign persons under the control of such persons.	20 July 2022	Meeting of the Russian Governmental Commission for Control over Foreign Investment No. 75/13. 20 July 2022.
On 1 August 2022, the Government of the Russian Federation extended restrictions on foreign currency cash withdrawals for another 6 months, until 9 March 2023. The limit may not exceed USD 10,000 or an equivalent amount in EUR.	1 August 2022	*“The Bank of Russia extended restrictions on foreign currency cash withdrawals for another 6 months”*, Central Bank of Russia, 1 August 2022.
On 5 August 2022, the Government of the Russian Federation adopted an Executive Order banning, until 31 December 2022, transactions resulting in the establishment, change, termination of ownership rights, use or dispose of securities owned by foreign persons associated with “unfriendly states” with respect to shares of inter alia Russian strategic entities and related, Russian companies working in the energy sector, and Russian credit institutions.	5 August 2022; 8 September 2022	Executive Order on the application of special economic measures in the financial, and fuel and energy sectors in connection with the unfriendly actions by certain foreign states and international organisations, President of Russia, 5 August 2022; Decree No. 618 "On the special procedure for the implementation (execution) of certain types of transactions (operations) between certain persons", President of the Russian Federation, 8 September 2022
On 8 August 2022, the Government of the Russian Federation adopted Decree No. 529 that, among other things, repeals the daily limit of USD 5,000 for transfers by resident individuals to foreign accounts of other resident individuals and establishes further procedures for the performance of obligations by Russian credit institutions subject to sanctions and Russian debtors to Eurobonds holders.	8 August 2022	Decree No. 529 “On the temporary procedure for the performance of obligations under bank account (deposit) agreements denominated in foreign currency and obligations under bonds issued by foreign entities”, 8 August 2022
Non-residents from “friendly countries” and foreign companies whose ultimate beneficiaries are Russian legal entities or individuals may trade on the Moscow Exchange from August 8.	8 August 2022	Professional participants will categorize non-residents for admission to exchange trading, Central Bank of Russia, 8 August 2022.
On 10 August 2022, the Governmental Commission generally licensed crediting of funds relating to dividends on shares of certain types of Russian companies, business partnerships and production cooperatives by residents to accounts opened with foreign banks that are subsidiaries of authorised banks within the general limits established by the Central Bank of Russia.	10 August 2022	Meeting of the Russian Governmental Commission for Control over Foreign Investment No. 78/1. 10 August 2022.
From 1 October 2022, brokers will no longer execute non-qualified investors’ orders to buy securities of issuers from “unfriendly states” if the portion of such securities in the investor’s portfolio exceeds 15% following a respective transaction. From 1 November 2022, the threshold for such transactions will be set at 10% of a customer’s portfolio, and from 1 December at 5%. From 1 January 2023, brokers will have to suspend the execution of any orders of non-qualified investors to increase their positions in securities of foreign issuers from “unfriendly states”.	6 September 2022	Bank of Russia to limit sales of securities issued by unfriendly countries to non-qualified investors, Central Bank of Russia, 6 September 2022.
Saudi Arabia		
None during reporting period.		

Description of Measure	Date	Source
South Africa		
None during reporting period.		
Türkiye		
None during reporting period.		
United Kingdom		
Between 19 May and 4 October 2022, a number of individuals and entities were designated by way of Financial Sanctions notices issued by the Office of Financial Sanctions Implementation (HM Treasury) as being subject to asset freezes. These designations were made under The Russia (Sanctions) (EU Exit) Regulations 2019 and were added to the Consolidated List of Financial Sanctions Targets in the UK. The list of these Financial Sanctions Notices is published on the Government of the United Kingdom's Financial sanctions, Russia Guidance. Among others, these sanctions prevent designated individuals and entities from accessing UK trust services and impose restrictions on access to UK financial services.	19 May to 4 October 2022	New designations made under the sanctions lists as of 22 February 2022 to the end of the reporting period are listed on the Government of the United Kingdom's Financial sanctions, Russia Guidance, as updated from time to time; The Consolidated List of Financial Sanctions Targets in the UK, HM Treasury, Office of Financial Sanctions Implementation, as updated from time to time.
On 5 July 2022, the United Kingdom's Government amended the Republic of Belarus (Sanctions) (EU exit) Regulations 2019. Among others, the amendments widen the financial sanctions by extending existing restrictions to a broader range of transferable securities, money market instruments, loans and credit. Also, they introduce a new prohibition on providing financial services for the purpose of foreign exchange reserve and asset management of the Central Bank of Belarus and the Ministry of Finance of Belarus and related persons.	5 July 2022	2022 No. 748 SANCTIONS The Republic of Belarus (Sanctions) (EU Exit) (Amendment) Regulations 2022
United States		
On 24 May 2022, the U.S. Department of the Treasury let expire an exception license issued on 6 April 2022, de facto blocking the Russian Federation from paying American bondholders.	24 May 2022	Notice on Russian Harmful Foreign Activities Sanctions General License 9C, U.S. Department of the Treasury, OFAC, 24 May 2022.
Between 2 June and 30 September 2022, the Office of Foreign Assets Control (OFAC) of the U.S. Department of the Treasury designated new individuals and entities, including among others: Russians and others operating on behalf of the Russian Federation in Russian-occupied territories in Ukraine, a multinational, a Russian state-owned enterprise and a number of its subsidiaries and affiliates, state-linked military companies, and government officials and members of the ruling elite among others. These designations were made pursuant Executive Order 13660 of 6 March 2014, Executive Order 13661 of 17 March 2014 and Executive Order 13662 of 20 March 2014, Executive Order 13685 of 19 December 2014 and Executive Order 14024 of 15 April 2021. In that regard, on 15 September 2022, OFAC issued a new Determination pursuant to Executive Order 14024 (which among others, authorises sanctions against individuals and entities engaged in "specified harmful foreign activities of the Government of the Russian Federation"), and a new Determination pursuant to Executive Order 14071 (which among others, prohibits new investment in the Russian Federation by U.S. persons, wherever located). These Determinations expand authorities for the imposition of blocking sanctions against persons in new sectors (quantum computing, aerospace, electronics, and the marine sectors) and impose new restrictions in their regard. These Determinations took effect between. These took effect on 15 September and 15 October 2022 respectively. Designated individuals and entities are listed on consolidated lists, namely OFAC's Specially Designated Nationals (SDN) List and OFAC's Non-SDN Menu-Based Sanctions List, among others.	2 June to 15 October 2022	*"U.S. Treasury Severs More Networks Providing Support for Putin and Russian Elites"*, U.S. Department of the Treasury, Press Release, 2 June 2022; *"Targeting Russia's Oligarchs and Vessels"*, U.S. Department of State, Press Statement, 2 June 2022; *"U.S. Treasury Sanctions Nearly 100 Targets in Putin's War Machine, Prohibits Russian Gold Imports"*, U.S. Department of the Treasury, Press Release, 28 June 2022; *"Treasury Sanctions Elites and Companies in Economic Sectors that Generate Substantial Revenue for the Russian Regime"*, U.S. Department of the Treasury, Press Release, 2 August 2022; *"Treasury Targets Additional Facilitators of Russia's Aggression in Ukraine"*, U.S. Department of the Treasury, Press Release, 15 September 2022;

Description of Measure	Date	Source
		"U.S. Sanctions Members of Russian Violent Extremist Group", U.S. Department of the Treasury, OFAC, 15 June 2022; *"Treasury Targets the Kremlin's Continued Malign Political Influence Operations in the U.S. and Globally"*, U.S. Department of the Treasury, Press Release, 15 September 2022; *Determination Pursuant to Section 1(A)(i) of Executive Order 14024*, U.S. Department of the Treasury, OFAC, 15 September 2022; *Determination Pursuant to Section 1(a)(ii) of Executive Order 14071 – Prohibitions Related to Certain Quantum Computive Services*, U.S. Department of the Treasury, OFAC, 15 September 2022; *"Treasury Imposes Swift and Severe Costs on Russia for Putin's Purported Annexation of Regions of Ukraine"*, U.S. Department of the Treasury, OFAC, 30 September 2022.
European Union		
Between 3 June and 6 October 2022, the European Union adopted two new packages of sanctions. Among others, these impose asset freezes on new individuals that target both individuals (including politicians and businesspeople, members of the Armed Forces of the Russian Federation, individuals holding leadership positions within the National Guard and Committee on Security and Anti-Corruption) and entities from the Russian Federation, Belarus and Ukraine, including the banning from SWIFT for three Russian banks and one Belarusian bank.	3 June 2022; 21 July 2022; 4 August 2022; 1 September 2022; 6 October 2022.	Council Implementing Regulation (EU) 2022/876 of 3 June 2022 implementing Article 8a(1) of Regulation (EC) No 765/2006 concerning restrictive measures in view of the situation in Belarus and the involvement of Belarus in the Russian aggression against Ukraine; Council Regulation (EU) 2022/877 of 3 June 2022 amending Regulation (EC) No 765/2006 concerning restrictive measures in view of the situation in Belarus and the involvement of Belarus in the Russian aggression against Ukraine; Council Implementing Regulation (EU) 2022/878 of 3 June 2022 implementing Regulation (EU) No 269/2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine; Council Implementing Regulation (EU) 2022/1274 of 21 July 2022 implementing Regulation (EU) No 269/2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine; Council Implementing Regulation (EU) 2022/1270 of 21 July 2022 implementing Regulation (EU) 269/2014 concerning restrictive measures in respect of actions undermining or threatening the

Description of Measure	Date	Source
		territorial integrity, sovereignty and independence of Ukraine; Council Implementing Regulation (EU) 2022/1354 of 4 August 2022 implementing Regulation (EU) No 269/2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine; Council Implementing Regulation (EU) 2022/1446 of 1 September 2022 implementing Regulation (EU) No 269/2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine; Council Implementing Decisions (CFSP) 2022/881 and 2022/882 of 3 June 2022 implementing Decision 2012/642/CFSP concerning restrictive measures in view of the situation in Belarus and the involvement of Belarus in the Russia aggression against Ukraine; Council Decision (CFSP) 2022/883 and 2022/885 of 3 June 2022 amending Decision 2014/145/CFSP concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine; Council Decision (CFSP) 2022/884 of 3 June 2022 amending Decision 2014/512/CFSP concerning restrictive measures in view of Russia's actions destabilizing the situation in Ukraine; Ukraine: EU agrees on eighth package of sanctions against Russia, Press Release, 6 October 2022; Consolidated text of Council Regulation (EU) No 269/2014 of 17 March 2014, as updated from time to time.
On 26 July 2022, the EU decided to prolong the restrictive measures targeting specific sectors of the Russian economy by six months, until 31 January 2023. On14 September 2022, the EU decided to prolong restrictive measures targeting specific individuals by a further six months, until 15 March 2023.	26 July 2022; 14 September 2022	Russia: EU renews economic sanctions over Russia's military aggression against Ukraine for further six months. Council of the EU. 26 July 2022. Russian aggression against Ukraine: EU individual sanctions over territorial integrity prolonged for a further six months. Council of the EU. 14 September 2022.

Methodology for the inventory presented in Annex 4 — Coverage, Definitions and Sources

Reporting period. The reporting period of the present document is from 16 May to 15 October 2022. A measure not specific to FDI adopted in relation to the Russian Federation and Belarus in the context of the war in Ukraine and measures taken by the Russian Federation in this context is counted as falling within the reporting period if new policies were adopted or entered into force during the period.

Investment. For the purpose of the inventory presented in Annex 4, international investment is understood to include all international capital movements; however, measures specifically concerning foreign direct investment are not reported in this Annex, but rather in Annex 3 of the present document.

Investment measure. For the purposes of this Annex 4, investment measures consist of any action that either (i) imposes or removes differential treatment of foreign or non-resident investors compared to the treatment of domestic investors in like situations; or (ii) imposes or removes restrictions on international capital movements.

Reporting on international capital movements has no legal effect on the rights and obligations of member states of the WTO, OECD, or UNCTAD.

Sources of information and verification. The sources of the information presented in this report are:

- official government websites and sources on national sanctions' regimes;
- information contained in other international organisations' reports or otherwise made available to the OECD Secretariat;
- other publicly available sources: specialised web sites, press clippings etc.

Investment measures included in this report have been verified by the respective G20 members.

Annex 5: G20 members' International Investment Agreements[22]

	BITs			Other IIAs			Total IIAs as of 15 October 2022
	Concluded between 16 May 2022 and 15 October 2022	Effectively terminated between 16 May 2022 and 15 October 2022	As of 15 October 2022	Concluded between 16 May 2022 and 15 October 2022	Effectively terminated between 16 May 2022 and 15 October 2022	As of 15 October 2022	
Argentina			54			18	72
Australia			15			23	38
Brazil			27			19	46
Canada			39			21	60
P.R. China			125			25	150
France			91			74	165
Germany		1	120			74	194
India			10			15	25
Indonesia	1		43	1		22	65
Italy			67			73	140
Japan	1		36			22	58
Republic of Korea			93			26	119
Mexico			32			16	48
Russian Federation			79			6	85
Saudi Arabia			24			13	37
South Africa			38			11	49
Türkiye			117			21	138
United Kingdom			101			31	132
United States			45			69	114
European Union						74	74

Source: UNCTAD's IIA Navigator (https://investmentpolicy.unctad.org/international-investment-agreements).

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22 The number of IIAs may be subject to revision as a result of retroactive adjustments to UNCTAD's database on BITs and "other IIAs" (https://investmentpolicy.unctad.org/international-investment-agreements).