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REPORT FROM THE DIRECTOR-GENERAL ON TRADE-RELATED DEVELOPMENTS[1]

1. This Report reviews trade and trade-related developments in the period from 1 November 2009 to mid-May 2010.

EXECUTIVE SUMMARY

2. Despite the severity of the global financial crisis and its widespread impact on economies around the world, governments have largely resisted resort to trade barriers. However, there are still instances of trade restrictive measures taken during the period under review. There also appears to be an increasing trend in the use of export restrictions affecting mainly food products and raw materials. In a few cases, some governments have taken trade facilitating actions. Given the current economic environment and the risks ahead, governments should remain vigilant to preserve the level of trade openness and act to remove the most trade restrictive measures taken over previous periods.

3. It is important that all governments continue to actively participate in the trade monitoring exercise, which is of general systemic value to the multilateral trading system. The TPRB encouraged all Members and Observer Governments to continue providing timely and accurate information on their trade and trade-related measures.

Fewer new restrictions, but they are accumulating; priority to exiting restricting measures

4. The monitoring of trade and trade-related measures implemented during the period under review reveals that some governments continue to have recourse to new trade restrictions. However, it also confirms the overall pattern of a declining trend in terms of instances of new measures and their coverage of trade. Although this declining trend is to be welcomed, careful attention has to be given to the growing risk of a potential accumulation of trade-restricting measures implemented since the outbreak of the global financial crisis. This risk is compounded by a relatively slow pace of removal of previously adopted restrictive measures. Exiting current restricting measures should be a priority.

5. The factual information collected by the WTO Secretariat on new trade and trade-related measures implemented between 1 November 2009 and mid-May 2010 shows a number of instances of countries taking measures that have the potential to directly or indirectly restrict trade. The most common measures identified during this period were the initiation of new trade remedy investigations

[1] This is intended to be a purely factual report and is issued under the sole responsibility of the Director-General. It has no legal effect on the rights and obligations of Members, nor does it have any legal implication with respect to the conformity of any measure noted in the report with any WTO Agreement or any provision thereof. This report is without prejudice to Members' negotiating positions in the Doha Round. It is a preparatory contribution to the report by the Director-General that is called for in Paragraph G of the TPRM mandate and that aims to assist the TPRB to undertake an annual overview of developments in the international trading environment which are having an impact on the multilateral trading system.

(although the first four months of 2010 have shown a significant cooling-off of trade remedy use), increases in import tariffs, import bans, and import licenses. There also continued to be concerns raised by trading partners that some countries are restricting market access for imported agricultural products based on sanitary and phytosanitary considerations.

6. The new trade restricting or distorting measures that have been introduced since 1 November 2009, along with the initiation of new investigations into the imposition of trade remedy measures (a number of which may never result in the actual imposition of the measures or the restriction of trade), are estimated to have covered collectively around 0.4 per cent of annual world imports. The new measures have been concentrated in particular on base metal products (mainly steel products), followed at some distance by machinery, agricultural products and transport equipment.

7. On the other hand, some governments implemented, during this period, measures to facilitate trade, in particular by reducing or temporarily exempting import tariffs, and by terminating a few trade-restrictive actions started in previous periods. However, based on a simple count, measures that have the potential to restrict trade outnumber those that facilitate trade by a factor of 3:2.

8. There also appears to be an increasing trend in the use of export restrictions, affecting in particular food products and commodities. The most frequent measures used in this area include increases of export duties (in some cases the introduction of new duties), export prohibitions, and export quotas. The increase in export restrictions seems to be happening worldwide. A few countries also took measures to reduce export restrictions. However, export restricting measures outnumber export facilitating measures by a factor of 5:2.

The global economy is recovering, but risks ahead

9. The global economic recovery has been evolving better than expected in the last six months, but the recovery is still subject to significant downsize risks. In many parts of the world the strength of the rebound is moderate. World GDP is expected to grow by 4.2 per cent in 2010 (compared with a decline of 0.5 per cent in 2009), mainly driven by good performance in emerging developing countries. Merchandise trade is forecast to expand by 9.5 per cent in 2010 after the unprecedented decline of 12.2 per cent a year earlier. In advanced economies, unemployment is projected to stay close to 9 per cent through 2011 and then to decline only slowly. Trade has an important role to play in firmly anchoring the economic recovery, and offers a sustainable, non-debt creating source of growth and development.

10. Even if the global economy is on a recovery path, the financial crisis and the global economic downturn that followed have had far-reaching effects, especially on developing countries. Economic growth in the world's low income economies has held up much better that during previous recessions. However, the overall impact of the crisis on poor countries should not be underestimated. The IMF and World Bank reported that the global economic crisis has slowed the pace of poverty reduction in developing countries. The IMF estimates that by the end of 2010, 64 million more people will have fallen into extreme poverty than without the crisis.[2]

More open trade can support the nascent economic recovery

11. Significant risks for the trading system remain as long as unemployment continues at peak levels and government fiscal positions tighten. Keeping trade open has been and remains crucial in providing opportunities for countries to emerge from the global crisis, in particular at times when public deficits are growing for many. These opportunities can only be seized fully through a prompt and successful conclusion of the DDA. Until the Round is concluded successfully, there also remains

[2] IMF, World Economic Outlook, 21 April 2010.

a large amount of room in which protectionist pressures can continue to agitate. Implementing a co-ordinated programme of trade liberalization and facilitation on a global scale, including reducing the gaps between applied and bound levels of trade restriction and distortion will substantially strengthen the capacity of the multilateral trading system to help governments resist these pressures. Based on a WTO Secretariat estimate for 22 countries (developed and developing) and on the draft DDA modalities on the table, the trade-weighted average bound tariff would be cut by half (from 8.5 to 4.1 per cent).

12. Pending a successful conclusion of the DDA negotiations, it is important that governments recommit to refrain from raising trade barriers as a means of overcoming the effects of the global crisis, and to roll-back those trade restricting measures already put in place during previous periods.

As many stimulus programmes end, governments should remain vigilant

13. Even if thus far resort to protectionist measures has been relatively muted, governments must remain vigilant. Economic conditions around the world, in particular persistent high levels of unemployment and mounting pressure on government finances, may continue to feed into protectionist pressures. The expected end of the government stimulus measures may add to those pressures. It is noteworthy that in some cases, governments have been confronted with strong calls to resist protectionist actions. These calls seem to have played their part in the restraint that most governments have shown in restricting trade.

14. Many government stimulus measures are still in place, but newer specific programmes are becoming less frequent than immediately after the start of the crisis. Given the sheer size of these packages, stimulus measures taken to rescue sectors of systemic importance (such as banking) or to preserve jobs (as in the automobile industry) or to stimulate demand (such as consumption tax reductions or "buy national" provisions in government procurement legislation) may be more significant in terms of their potential impact on trade and free competition than traditional trade restrictions. However, any detailed economic analysis of these measures should consider the extraordinary situation in the global economy and the exceptional responses judged necessary by governments, while avoiding counter-productive distortions of trade.

Special analysis shows selected sector's trade performance and sectoral policies

15. The sectoral analysis in the last section of this report illustrates the situation in three particularly sensitive areas (car industry, iron and steel sector, and textiles and clothing), where the global crisis seems to have been felt much harder and where governments implemented a number of trade and trade-related measures to help these sectors overcome the crisis. The analysis shows that these sectors were confronted with adjustment problems long before the crisis and that important challenges are still in front of them. They are characterized by high employment, overcapacity and were already the focus for trade restrictions.

16. The automobile industry was hit hard by the global crisis with demand falling sharply. Governments implemented a number of measures to support producers' balance sheets and to sustain consumer demand. The iron and steel industry was also heavily affected by the crisis. Many governments adopted fiscal stimulus packages, as well as a number of trade-specific measures, to support this industry. Trade-restricting measures in the textiles and clothing sector have been limited.

Efficiency of trade monitoring depends on more active participation of delegations

17. The regular monitoring of trade developments has contributed to improved transparency in the multilateral trading system. WTO Members and Observer Governments have, overall, actively participated in this exercise. Active participation of all Members and Observer Governments, through

the provision of initial information and the verification of listed individual measures, is needed to ensure the accuracy, comprehensiveness and relevance of this type of monitoring. The monitoring exercise is sometimes rendered difficult, for instance when a government denies the existence of trade measures or practices that have been publicized by the press and raised by its trading partners as a matter of concern.

18. Improved transparency in the multilateral system depends also on strengthening Members' response to WTO notification requirements. WTO bodies have embarked in numerous exercises to improve the timeliness and functioning of their respective notification procedures. In some of them, such as the SPS and TBT Committees, a marked increase in the number of official notifications of relevant measures has been observed. The monitoring report for the end of the year will present an overview of developments regarding notification requirements in the WTO.

I. INTRODUCTION

19. The Director-General has reported regularly to WTO Members on trade and trade-related policy developments in the context of the global financial and economic crises. This Report reviews trade-related developments during the period 1 November 2009 to mid-May 2010.[3]

20. The TPRB has agreed to continue the monitoring of trade and trade-related policies and called for an active participation in this transparency exercise of WTO Members and Observer Governments.[4] Replies to the request from the Director-General for information on measures taken during the period under review were received from 27 Members and Observers (counting the EU as one), of which 16 are members of the G20 (counting the EU Member States separately).[5] The WTO Secretariat has drawn on these replies, as well as on a variety of other public and official sources, to prepare this Report. The Secretariat has received good cooperation from the majority of delegations that were requested to verify the accuracy of the information contained in Annexes 1 and 2. Where it has not been possible yet to verify the information this is noted in the Annexes.[6]

21. The country-specific measures listed in Annex 1 and 2 are new measures implemented by governments during the period under review to facilitate or restrict trade flows.

22. To contribute to informed discussion about the potential impact of policy measures in the context of the global financial crisis, this report includes in the last section of the Report a more detailed presentation of selected sectors (textiles and clothing, steel, and automobile) in which the sector's overall production and trade performance are described.

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[3] The previous trade monitoring report, contained in WTO document WT/TPR/OV/12 (18 November 2009), covered the period from October 2008 to October 2009. The WTO Secretariat, together with the Secretariats of the OECD and UNCTAD, issued on 8 March 2010 a more recent report on trade and investment measures by G20 economies. The relevant measures identified in that document are also reproduced in this report.

[4] At the TPRB meeting on 22 January 2010, WTO Members agreed to maintain the trade policy monitoring exercise and encouraged all delegations to continue to contribute to its success by providing timely and accurate information on their trade and trade-related measures. It was decided that in 2010, the Director-General will prepare two monitoring reports: one in June and the other in November (WTO document WT/TPR/OV/M/7 of 3 March 2010).

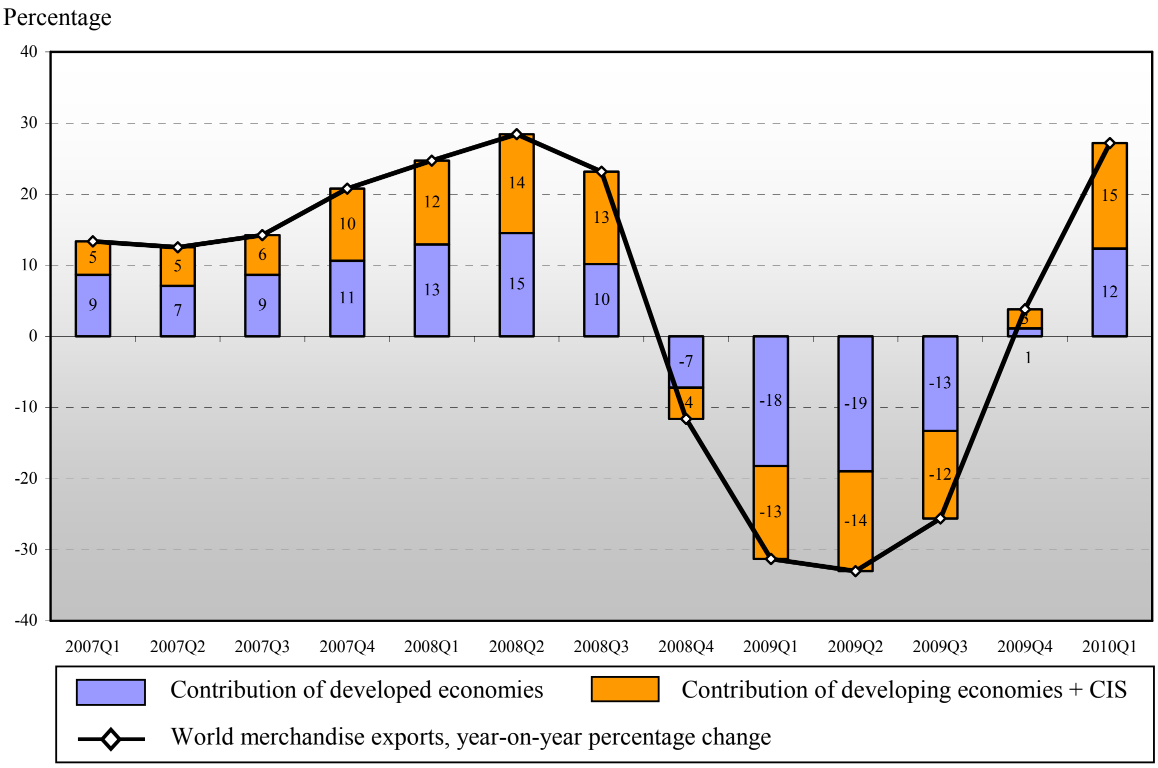
[5] These are: Australia, Brazil, Canada, China, the European Union (France, Germany, Italy, and the United Kingdom), Indonesia, Japan, Korea Rep. of, Mexico, Turkey, the Russian Federation, and the United States.

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

II. ECONOMIC AND TRADE TRENDS

23. The global economy is recovering better than expected, but in many parts of the world the strength of the rebound is moderate.[7] The recovery is proceeding at different speeds within and across regions, and unemployment is still high in many economies. Emerging and developing economies are performing better. The IMF forecasts a continuation of the recovery for the world economy but at varying speeds across and within regions.[8] World GDP is expected to grow by 4.2 per cent in 2010 (compared with a decline of 0.5 per cent in 2009), mainly driven by good performance in emerging developing countries. Merchandise trade is forecast to expand by 9.5 per cent in 2010 after the unprecedented decline of 12.2 per cent a year earlier. Exports of developing economies are expected to expand by more than 11 per cent, while those of developed economies are expected to grow by 7.5 per cent. Chart 1 illustrates the contribution of developing countries to trade recovery. Recent data show that the value of merchandise trade was around 25 per cent higher in the first three months of 2010 than in the same period of 2009, fuelled mainly by demand from Asia and higher commodity prices.[9]

Chart 1
Contributions to year-on-year growth in world merchandise exports, 2007Q1 - 2010Q1



Note*:* Due to scarce data availability, Africa and Middle East regional totals are under-represented by about 5% and 15% respectively.

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

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[7] G20 Communiqué of the Meeting of Finance Ministers and Central Bank Governors, Washington D.C. 23 April 2010.

[8] IMF, World Economic Outlook, 21 April 2010.

[9] These data refer to current US dollars, i.e. they are not adjusted for inflation and therefore cannot be compared with the annual trade growth estimate (WTO Press Release 604, 2 June 2010).

A. GLOBAL ECONOMIC AND TRADE DEVELOPMENTS

24. Since last November, global trade flows have continued to rebound strongly from the depressed levels seen during the depths of the global financial crisis. The volume of world trade in the first quarter of 2010 was up 17 per cent over the same period in 2009 and 3.5 per cent higher than the previous quarter.[10] This was the fourth consecutive quarterly increase in all regions. The magnitude of the turnaround was greater in some regions than in others (Chart 2). Asian economies in particular have seen a stronger resurgence in trade, while developed economies other than Japan have lagged somewhat, with slower but still positive trade growth (Chart 3).

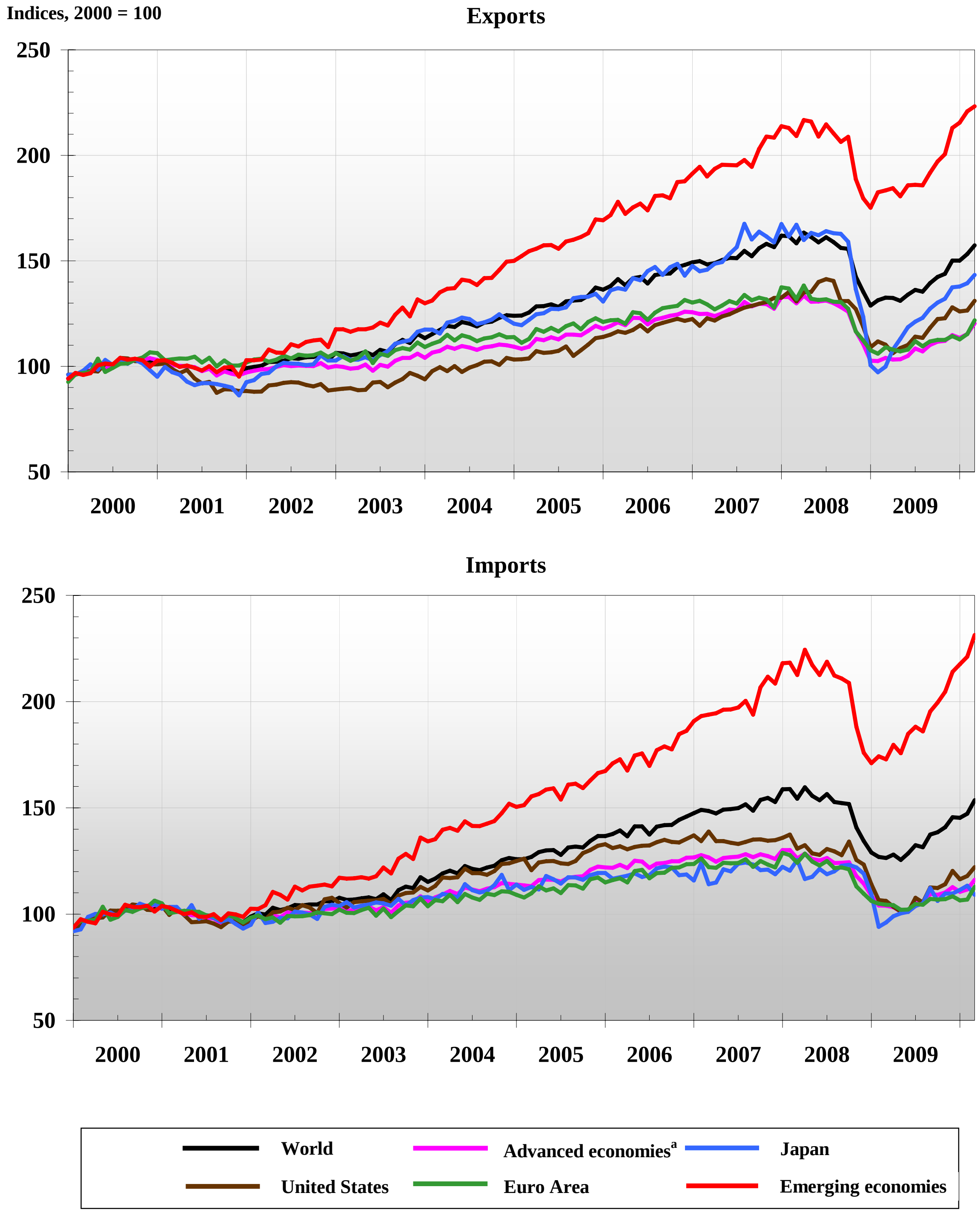
25. The expansion of GDP in developing countries has increasingly been supported by private consumption and investment rather than government expenditure, an indication that growth is becoming self-sustaining. However, the revival of economic activity to date has had little impact on unemployment, which remains in the neighbourhood of 10 per cent in some developed countries (Chart 4).

26. New risks for sustained global economic recovery are emerging. Concerns about fiscal sustainability and mounting sovereign debt are producing renewed bouts of volatility in financial markets. The fiscal consolidation needed to avoid defaults could lead to slower growth in some advanced economies. The evolution of the international prices of commodities, including oil, also adds to the uncertainties and may influence the recovery (Chart 5).

27. So far, these additional risk factors have not had a measurable impact on trade, but they have clouded the outlook for the remainder of the year. In March, the WTO Secretariat forecast 9.5 per cent growth in the volume of world trade in 2010 based on the assumption that trade and GDP would continue to expand throughout the year, but that their growth rates would attenuate over time. This is consistent with data received to date and with expected near-term developments. As a result, there is no reason to adjust this projection at this time. However, it must be acknowledged that recent events have increased the level of uncertainty surrounding the March forecast.

[10] CPB Netherlands Bureau for Economic Policy Analysis, Trade Monitor, 31 May 2010.

Chart 2
Volume of monthly exports and imports, January 2000 - March 2010



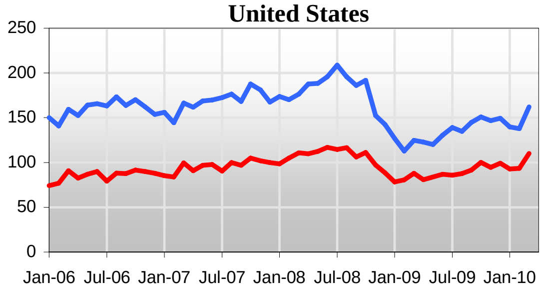
a OECD minus Turkey, Mexico, Republic of Korea, and Central European countries.

Source: CPB Netherlands Bureau for Economic Policy Analysis.

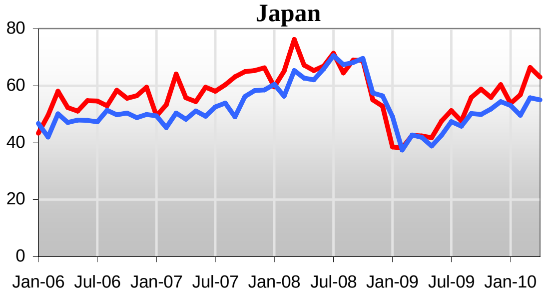
Chart 3
Monthly merchandise exports and imports of selected economies, January 2006 - April 2010

(US$ billion)

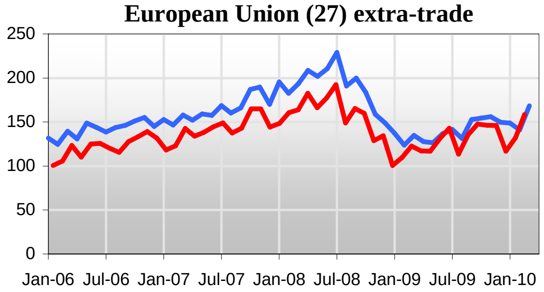
United States



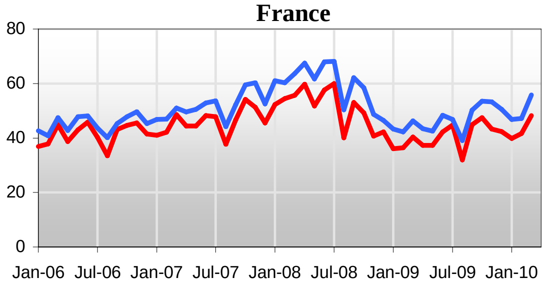
Japan



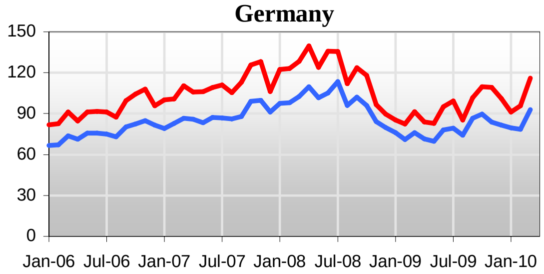
European Union (27) extra-trade



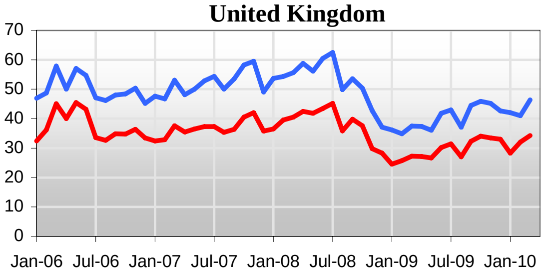
France



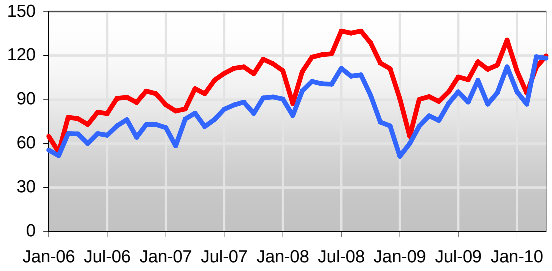
Germany



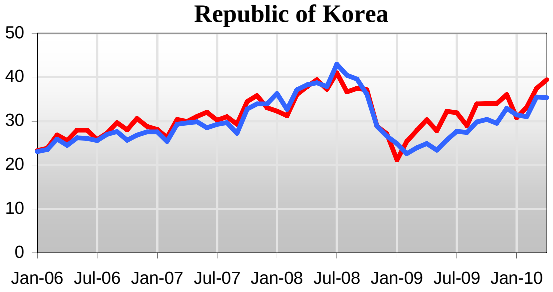
United Kingdom



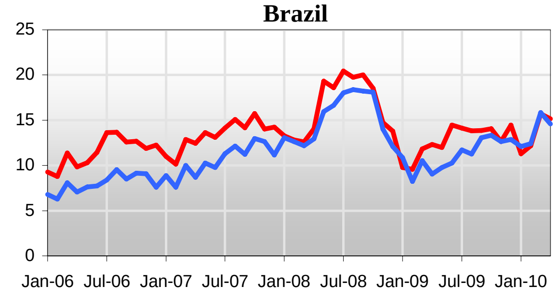
China



Republic of Korea



Brazil



India

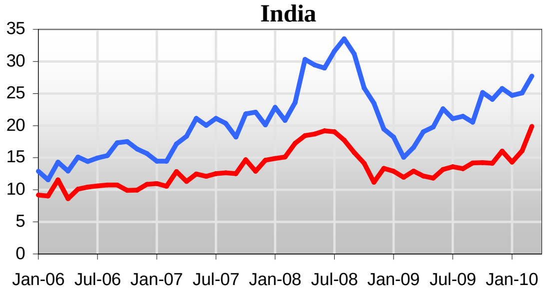
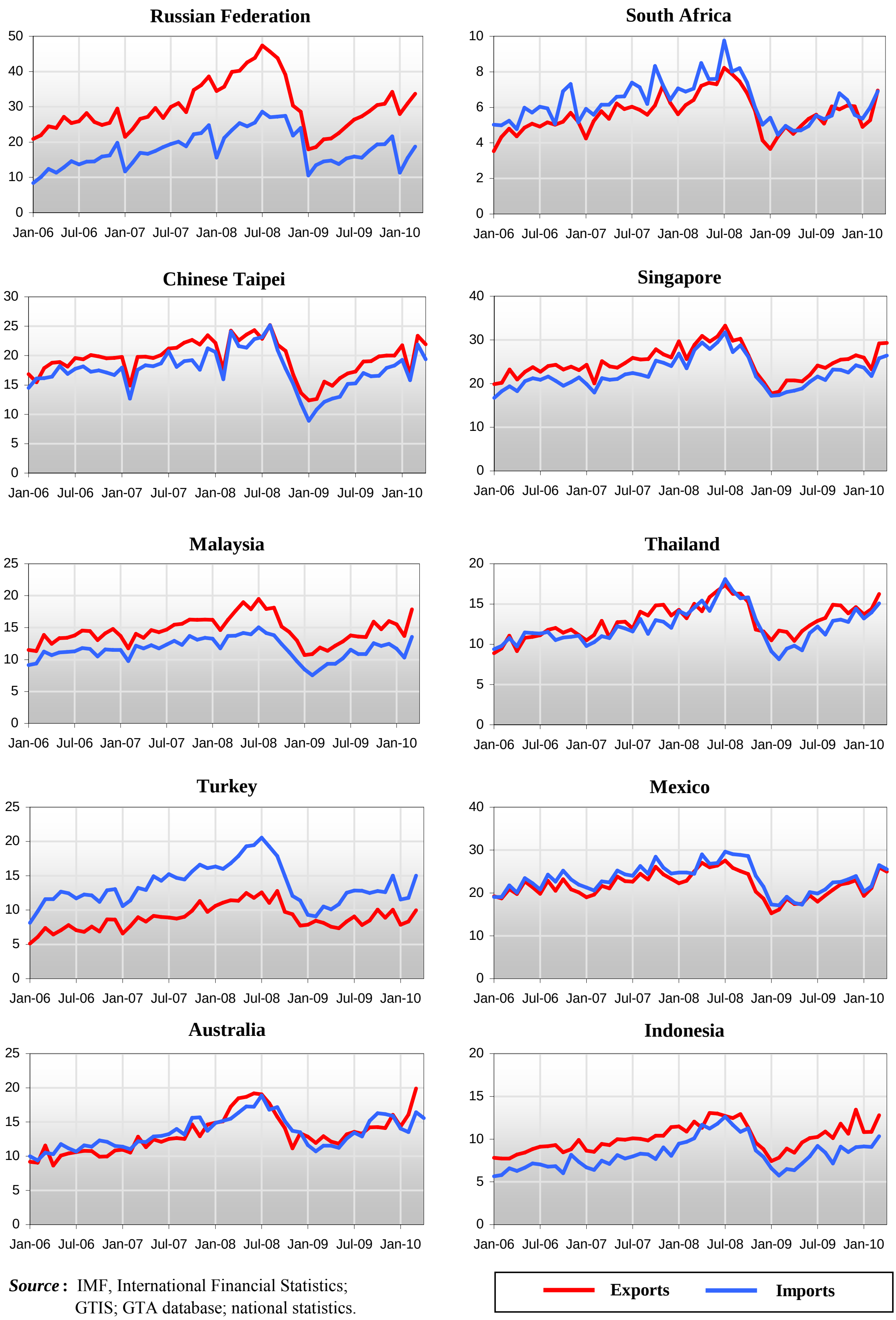


Chart 3 (cont'd)



***Source*:** IMF, International Financial Statistics; GTIS; GTA database; national statistics.

Chart 4
Quarterly GDP growth and harmonized unemployment rates of selected economies
(Annualized percentage change over previous quarter and percentage of labour force)

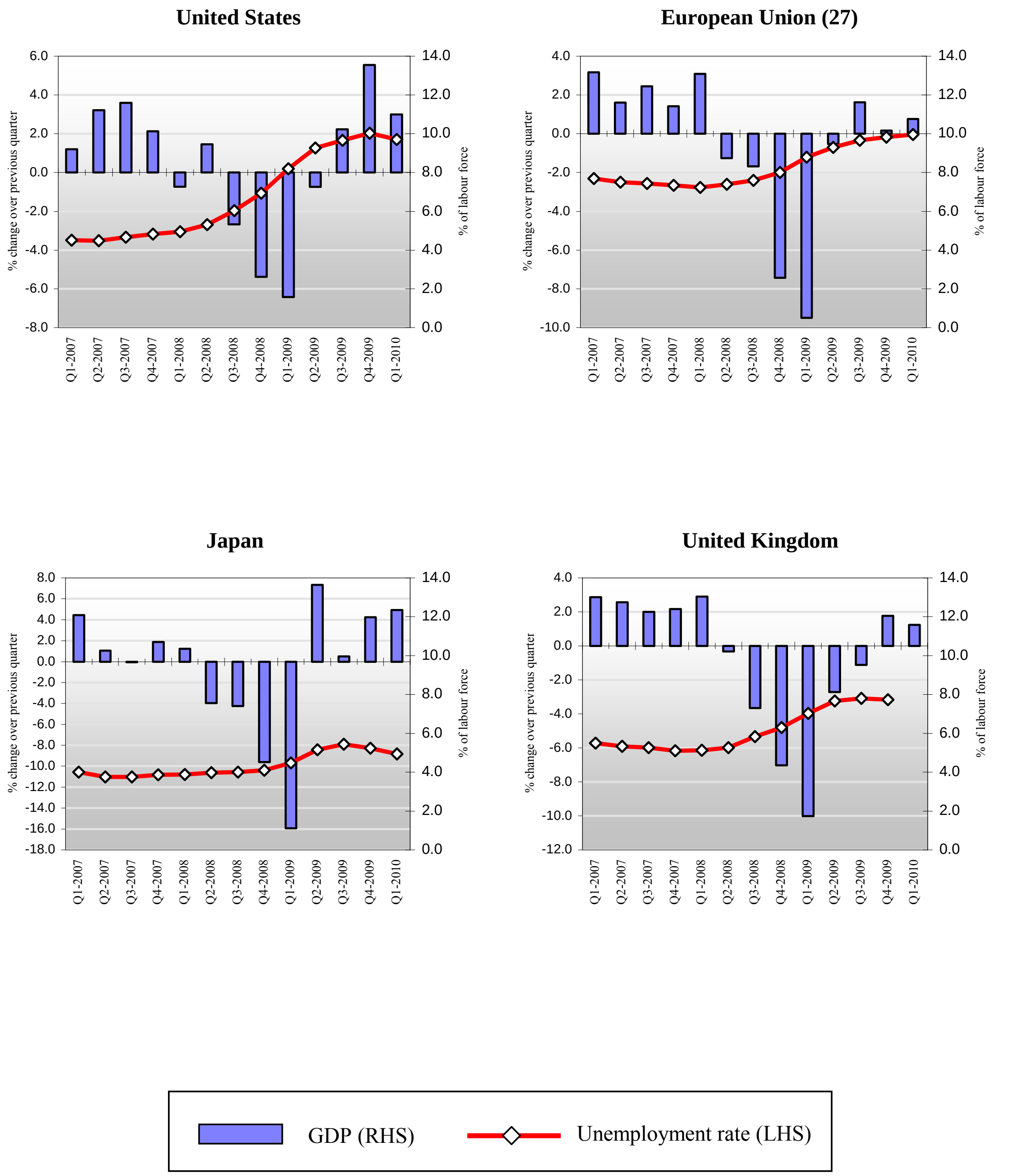
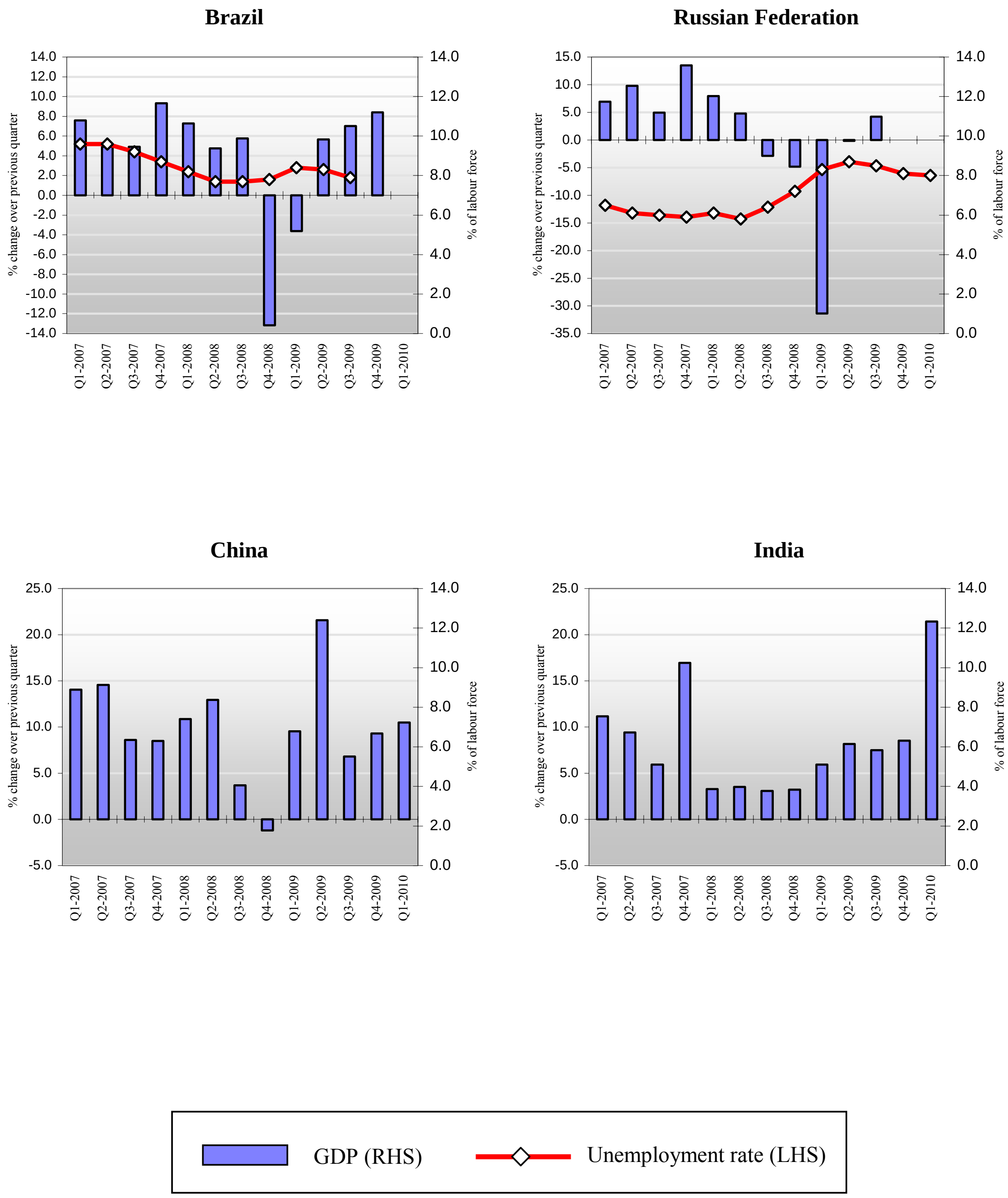
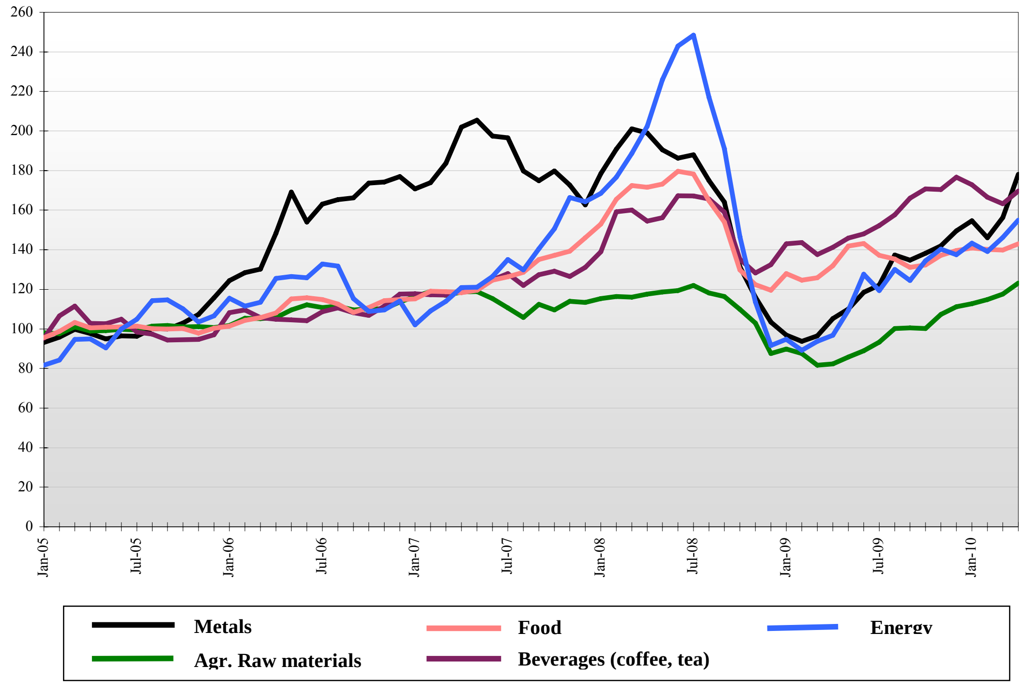


Chart 4 (cont'd)



Source : OECD, Quarterly National Accounts and Labour Force Statistics, except for China GDP, which is estimated based on data from the Chinese National Bureau of Statistics.

Chart 5
Prices of selected primary commodities, January 2005 - April 2010
(Indices, 2005=100)



Source : IMF, Primary Commodity Prices.

1. Merchandise trade in volume terms

28. Chart 2 illustrates the growth of exports and imports in volume terms through the month of March 2010. As was noted above, the volume of world trade in the first quarter of 2010 was up 17 per cent year-on-year and 5.3 per cent from the fourth quarter of 2009 (average of exports and imports) according to preliminary estimates from the Netherlands Bureau for Economic Policy Analysis (March 2010).[11] Exports of advanced economies increased 12.9 per cent year-on-year, led by Japan. Exports of emerging economies performed much better, growing by 21.9 per cent over the same period, with very fast growth in Asia. The figure for world trade in March was 4 per cent below the peak level recorded in April of 2008, but 21 per cent above the trough of May 2009. Exports of developing economies actually accelerated in March.

29. On the import side, advanced economies' purchases from the rest of the world were up 6.8 per cent year-on-year in the fourth quarter of 2009, led by Japan and the United States. Emerging economies recorded a substantial rise in imports, thanks to a significant increase in Asia. Imports of advanced economies grew 4.0 per cent in March. Emerging economies' imports also accelerated in March (4.6 per cent).

[11] All volume figures are seasonally adjusted.

2. Trade in value terms

(a) Merchandise trade and trade balances

30. Chart 3 shows merchandise exports and imports in current dollar terms for selected economies. Most countries have seen their trade flows recover substantially since bottoming out in January-February 2009.

31. As illustrated in Chart 3, the US merchandise trade deficit has narrowed, averaging US$75 billion per month between January 2006 and October 2008 before dropping to US$47 billion on average between November 2008 and March of this year. In the case of China, although the value of its monthly merchandise exports was traditionally higher than that of its imports, it was roughly at the same level as the value of its imports in April 2010. Japan's recovery in both exports and imports has been the fastest of any mature developed economy, and the country appears to be narrowing the gap between its current level of trade and its pre-crisis trend.

(b) Trade in commercial services

32. The availability of timely data on trade in commercial services is much more limited than for merchandise trade, but such data as do exist tell a similar story of steady improvement from the low point of trade in 2009, with some notable exceptions. Year-on-year increases in services exports and imports in the first quarter of 2010 are generally smaller than the equivalent growth rates for merchandise trade since the declines in services tended to be smaller and bottomed out slightly later.

33. US exports increased by 9 per cent year-on-year in the first quarter of 2010 while imports grew 7 per cent. France had a 5 per cent increase on the export side and 2 per cent growth on the import side, while the United Kingdom had increases of 1 per cent on both the export and import sides.[12] Japan’s services exports and imports both declined.

B. RECENT DEVELOPMENTS IN TRADE FINANCE

34. In preparation for the G20 Summit in Toronto, Finance Ministers have reviewed at the end of April 2010 the report of the Group of Experts monitoring the implementation of the support package agreed by G20 Leaders a year ago in London. On 18 May, the Director-General of the WTO met with the trade finance community (trade bankers, the Berne Union of Export Credit Agencies, and representatives of international financial institutions) to discuss the latest trends in trade finance markets and steps that could be made to address the remaining hurdles to the accessibility and affordability of trade finance in all regions. The Director-General's conclusions and recommendations made during the expert meeting have been discussed and largely shared by WTO Members at the meeting of the Working Group on Trade, Debt and Finance on 4 June 2010. Following this, and further contacts with senior members of the trade banking community, the Director-General called upon financiers to keep their lines of credit open to small countries, small banks and small and medium-sized enterprises in a concentrating trade finance market, particularly in continents such as Africa in which financing gaps remain.[13]

35. The trade finance environment described in the G20 expert group report remains by and large valid, although recent developments – the heightened perception of sovereign debt risk in parts of the world, and higher volatility of exchange rates – have an adverse impact on the funding cost of banks, for trade finance and other banking activities. As confirmed by market participants on 18 May, trade finance markets have continued to improve since the autumn of 2009, but recovery patterns have been

[12] All these figures are seasonally adjusted.
[13] Global Commodity Finance Conference, Geneva, 9-10 June, 2010.

mixed across regions with emerging markets leading the improvement. Consistent with the rapid recovery of trade in the Asian region, on the high end of the market there was a large appetite for risk and ample liquidity to finance trade from China, India and Korea, with a lowering of spreads. In Latin America, Brazilian authorities have been playing a significant role in the stabilization of the local market for trade finance, and hence with the recovery of trade and bank liquidity, spreads are returning to pre-crisis levels. The situation in other Latin American countries is more mixed. The same applies in the Middle-East, where the situation is easing in some countries but remains a source of concern in others.

36. In Europe, the risks associated with the situation in Greece, as well as other European countries that face the prospect of reduced credit ratings, is increasing the cost of trade lending. The Eastern European market as well as Central Asia remains difficult as it has been characterized by many trade debt restructuring agreements last year. There appear to be continuing constraints on trade finance in Africa – particularly in Sub-Saharan Africa, and in the financing of manufacturing imports and inputs. It is difficult to determine whether this phenomenon is permanent or temporary, although global commercial banks indicate that the high cost of collection of information on counterparty risk and the low profitability of small operations in the region are making the financing of trade unattractive. Hence several international players have become more selective in working with local counterparty banks, with requirements on documentation, cash collateral, and other forms of guarantees which are very difficult to fulfil. A question mark is raised as to whether enough international credit will be available to import goods when consumer and investment demand picks up in Africa.

37. The above considerations are resulting from an environment in which global banks have restored their liquidity levels, but in which banks are more selective and stringent in their assessment of counterparty risk. The overall result is that small countries, small counterparty banks and small companies appear to be hit harder in terms of access to trade credit markets worldwide.

38. While the G20 package to support short-term trade finance is generally seen as having been instrumental in dealing with the 2009 crisis, in particular by helping restore confidence and making available significant risk mitigation capacity to protect large supply-chain operators/buyers in regions such as Europe and Asia, the question arises as to whether the remaining resources could be somewhat redirected towards the needs appearing in 2010. Thanks to the G20 package, national export credit agencies (ECAs) and Multilateral Development Banks (MDBs) have stepped up their activities, mobilizing some US$190 billion in commitments in one year. The average utilization rate for additional capacity committed has declined from some 70 per cent in the first half of 2009 to around 40 per cent in the second half, reflecting the improvement in the global market situation. Hence, the co-chairs of the G20 Trade Finance Experts Group recently recommended that the additional US$150 billion in short-term trade finance, identified in August 2009 as a possible contingent reserve, not be deployed.

39. While thought should be given to an appropriate exit strategy from trade finance support, there should be no rush to a premature exit, particularly on the risk mitigation side, and efforts should continue to focus on situations where difficulties remain in accessing trade finance. It has also been suggested that consideration be given to enhancing capacity building to local financial institutions under the Aid-for-Trade umbrella, and to the possible creation of a trade finance facilitation programme at the African Development Bank, to deal with the problems of import financing, in particular the cost and conditions of letters of credit confirmation from African banks by the rest of the world. The latter proposal has received strong support from the WTO Expert Group on Trade Finance.

40. With respect to regulatory issues, an inter-institutional dialogue had started between representatives of the trade finance community and the Basel Committee Secretariat – notably at the

WTO Expert Group Meeting on 18 May, followed by a bilateral meeting between representatives of the trade banking community and the Basel Committee Secretariat on 1 June 2010.

III. TRADE AND TRADE-RELATED POLICY DEVELOPMENTS

A. OVERVIEW

41. The fear that countries could have systematically raised trade restrictions to protect their domestic industries in the wake of the global financial crisis and the largest economic recession since the Great Depression has not materialized. During the period under monitoring, most governments have largely resisted protectionist pressures, and in some instances even taken trade opening actions. Although some countries took measures that potentially can restrict and/or distort trade, thus far, governments continue to be overall relatively restrained in their use of protectionist trade policies.

42. So far, direct trade policy instruments have not dominated the policy response to the crisis. During the period under review, there has been continued slippage towards more trade restricting and distorting polices, including by some G20 economies. The factual information collected by the WTO Secretariat on new trade and trade-related measures implemented since 1 November 2009, shows a number of instances of countries taking measures that have the potential to directly or indirectly restrict trade. The most common measures identified during this period were the initiation of new trade remedy investigations (although the first four months of 2010 have shown a significant cooling-off of trade remedy use), increases in import tariffs, import bans, and import licenses. There also continues to be frequent complaints by trading partners that some countries may be restricting market access for imported agricultural products based on sanitary and phytosanitary considerations.

43. On the other hand, some countries implemented, during the period under review, measures that facilitate trade, in particular cases of reduction and/or temporary exemption of import tariffs. For example, on 19 April, Canada notified to the WTO its unilateral decision to eliminate customs duties on more than 1,500 tariff items (manufacturing inputs and machinery and equipment); the majority of these items, with a simple average MFN rate of 7.2 per cent, became duty-free effective as of 5 March 2010.[14] In addition to newly implemented measures, Annex 1 also includes the termination of trade remedy measures and other previously adopted trade restricting actions during the period covered.

44. There appears to be an increasing trend in the use of export restrictions, affecting in particular food products and commodities.[15] The most frequent measures used include increases of export duties (in some cases the introduction of new duties), export prohibitions, and export quotas. On the other hand, a few countries also took measures to reduce the coverage of previously implemented export restrictions.

45. The list of country-specific trade measures taken during the period under review does not include all behind the border measures. Non-tariff barriers, in particular administrative regulations, appear to be having a greater impact on trade conditions than import tariffs.

46. The reported measures that directly or indirectly have a trade restricting impact affect a relatively wide range of imports. The products most frequently affected overall by these measures (based on a rough numerical counting of the number of reported measures) include: iron and steel (and their products), machinery and equipment (including electrical equipment), glass and glassware, organic chemicals, and plastics.

[14] WTO document G/MA/W/101 of 19 April 2010.

[15] Export restrictions create economic inefficiencies by distorting the allocation of limited natural resources and raw materials. They have the potential to subsidize local producers by lowering the domestic prices of their inputs, and increase prices for foreign producers.

47. The WTO Secretariat has calculated that new import restricting measures introduced since 1 November 2009 (along with new initiations of investigations into the imposition of trade remedy measures) cover close to 0.4 per cent of total world imports (Table 1).[16] It is important to emphasize that this percentage represents the trade coverage of the measures; it does not indicate the size of their impact (reduction in trade) caused by the measures themselves which, other than in the case of prohibitively high restrictions, is considerably less. In terms of trade coverage, import restricting measures mainly affect base metal products (in particular steel), machinery, live animals and products, and transport equipment.[17]

Share of trade covered by import-restricting measures

October 2008-October 2009	November 2009-May 2010
1.01	0.4

48. Some Members continue to raise concerns about a generally stricter application of SPS and TBT regulations, and of slower customs procedures and additional requirements in the administration of import licensing measures (e.g. additional customs inspections, port of entry restrictions, expanded use of reference prices).[18] As indicated in previous reports, it is not easy to clearly identify the true nature and objectives of this kind of trade obstacles, nor is it evident to substantiate it empirically, but they can have a significant impact in delaying customs clearance and in raising the cost of trade transactions.

49. The measures included in Annex 1 are not all comparable, in particular in terms of their trade impact. Measures may apply to one specific product, a group of products, or they may affect all trade in a horizontal manner. Another difficulty lies in the fact that not all measures categorized as trade restrictive may have been adopted with such an intention.[19]

[16] Calculations are based on the following methodology: (i) Only trade measures that are actually in force are covered. Measures that have simply been proposed, or that have not yet cleared the domestic legislative process, are not included. (ii) Where two measures exist for the same country and the same product, import figures are only counted once. (iii) The value of trade covered is for 2008, and it is counted at the six-digit tariff line level, which is the most disaggregated level available from UN Comtrade. For many import restrictions, this overstates the value of trade affected by the measure, potentially by quite a lot; for example, an anti-dumping action may only affect highly specific products from just a few firms.

[17] If non-verified measures are included in the calculations, the trade coverage would rise up to around 0.8 per cent, and minerals (iron ore) would become the most affected sector.

[18] SPS and TBT measures are not included in the country specific list of measures in Annex1, although they may have a direct impact on trade flows. The WTO Secretariat is not in a position to judge if a particular SPS or TBT measure was taken for other reasons than those related to SPS and TBT concerns.

[19] The inclusion of any measure in the Annex Tables implies no judgement by the WTO Secretariat on whether or not such measure, or its intent, is protectionist in nature. Moreover, nothing in the tables implies any judgement, either direct or indirect, on the consistency of any measure referred to with the provisions of any WTO agreement or such measure's impact on, or relationship with, the global financial crisis.

Table 1
Trade coverage of restrictive import measures, November 2009-May 2010
(Per cent)

HS section	Share in total world imports	Share in total affected imports
Total imports affected	**0.40**	**100.0**
Agriculture (HS 01-24)	**0.04**	**10.6**
Live animals & products	0.02	5.8
Vegetable products	0.00	0.7
Fats & oils	0.00	0.0
Prepared food etc.	0.02	4.0
Industry products (HS 25-97)	**0.36**	**89.4**
Minerals	0.00	0.0
Chemical & products	0.01	3.0
Plastics & rubber	0.00	0.8
Hides & skins	0.00	0.3
Wood & articles	0.00	0.1
Pulp, paper etc.	0.00	0.3
Textile & articles	0.01	3.6
Footwear, headgear	0.00	0.2
Articles of stone	0.00	0.6
Precious stones, etc.	0.00	0.0
Base metals & products	0.27	65.8
Machinery	0.04	10.1
Transport equipment	0.02	3.7
Precision equipment	0.00	0.2
Arms and ammunition	0.00	0.0
Miscellaneous manufacture	0.00	0.5
Works of art, etc.	0.00	0.0

Note: Calculations are based on 2008 import figures. Total world imports in 2008: US$16,011.9 billion.

Source: WTO Secretariat estimates, based on UNSD Comtrade database.

1. Trade remedies (anti-dumping, countervailing and safeguard actions)

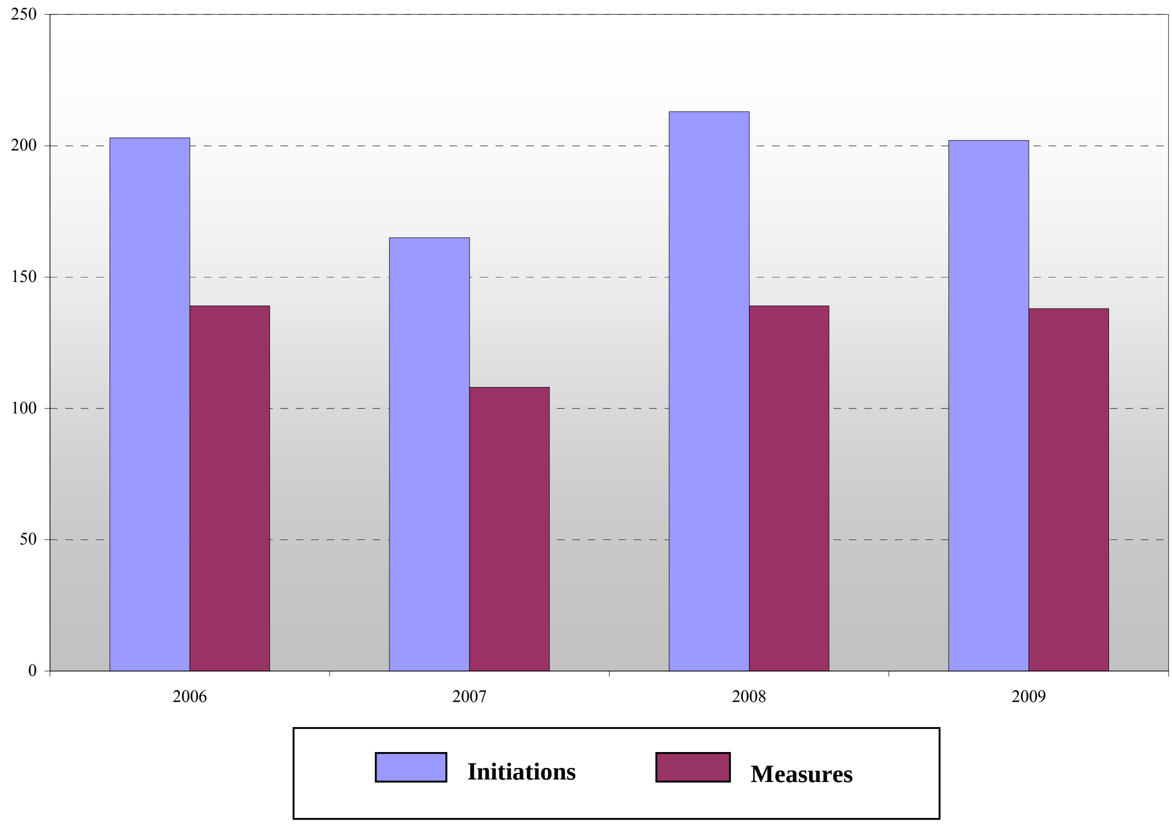
50. The first four months of 2010 have shown a significant cooling-off of trade remedy use. Anti-dumping initiations of new investigations have decreased 35 per cent compared to the first four months of 2009.[20] Even if, as has been the case historically, the number of initiations is higher in the second half of the year than in the first half, it is expected that there will be fewer initiations this year than in 2009. This would run counter to historical trends that show that anti-dumping use increases in times of economic downturn.

51. Anti-dumping investigations do not always lead to the imposition of measures. From approximately six to twelve months after the initiation of an investigation, Members may impose final measures. Accordingly, the data on initiation of investigations is not an indicator of the number of final measures adopted. However, the initiation of investigations has a chilling effect on trade. The number of anti-dumping measures imposed has not shown an increase from 2008 to 2009. This is notable given that in 2007, Members initiated 163 anti-dumping investigations compared to 208 in 2008. With a 22 per cent increase in investigations from 2007 to 2008, one might have expected a

[20] A similar trend has been shown by the World Bank's Temporary Trade Barriers Database which notes that the first quarter of 2010 showed a 20 per cent decrease in newly initiated investigations. The figures in this database are not comparable to those of the WTO Secretariat due to different methodologies used in counting individual measures.

similar increase in applied measures from 2008 to 2009. However, 139 final measures were imposed in 2008 compared to 138 in 2009. This is a sign that Members are perhaps showing more restraint in imposing final measures after initiating new investigations (Chart 6).

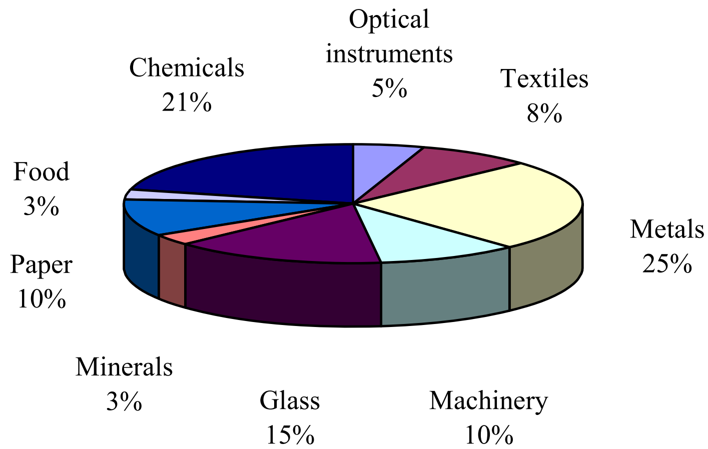
Chart 6
Anti-dumping actions, 2006 - 2009



Source: WTO Secretariat estimates.

52. Chart 7 shows the products covered by the new investigations initiated between January and April 2010. The coverage has changed slightly from 2009, with a noticeable increase in the area of glass products. Additionally, there has been less variety in products covered in 2010, but this can be explained by the fact that there have been fewer cases initiated. Metals, including steel products, continue to be the most investigated sector.

Chart 7
Anti-dumping initiations of new investigations, January - April 2010



Source: WTO Secretariat estimates.

53. During the first four months of 2010, developing countries initiated the largest number of new investigations (mainly India, Argentina, Brazil, China and the European Union). China was the country most targetted by these initiations (Chart 8).

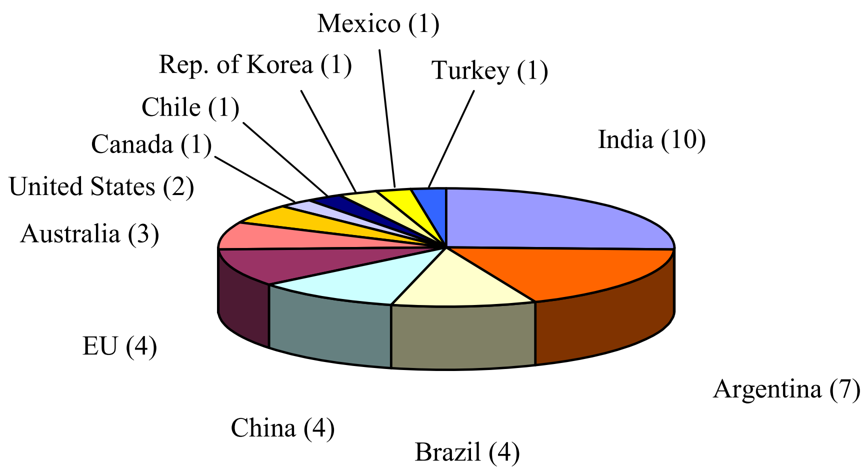
54. Safeguard initiations have also slowed during the first four months of 2010 compared to the same period in 2009. After a rise to almost historical highs from 2008 to 2009, the current decline in use could indicate that safeguard investigations will return closer to average levels this year. In 2009, 28 safeguard investigations were initiated compared to a yearly average of 14 since 1995. From January to April 2010 there have been ten initiations compared to 14 in the same period of 2009 (Chart 9). Accordingly, the Secretariat predicts the total for 2010 to be above average but far less than the historic high of 34 in 2002.

55. Some restraint has been shown by Members when deciding whether to impose final safeguard measures. In 2008, out of 11 initiations, six led to final measures and two were terminated without measures (three are on-going). In 2009, while data are preliminary as many cases are still on-going, out of 28 initiations of investigations, 13 have been terminated without measures. Similarly in 2010, out of 10 initiations, four have been terminated without measures.

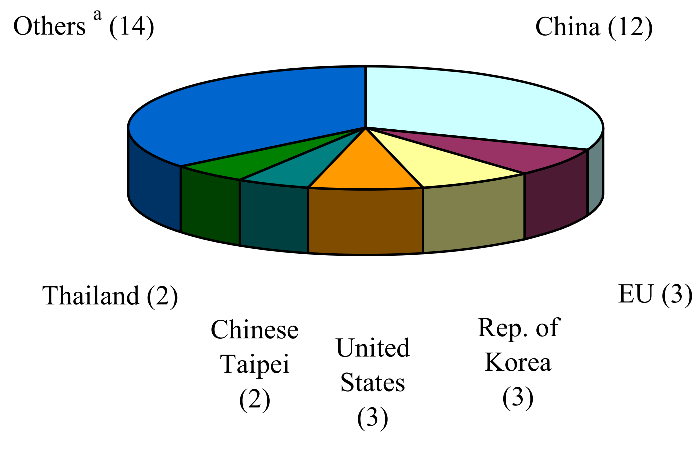
56. Products covered in the first four months of 2010 are metals (6 cases), chemicals, glass, paper and textiles (Chart 10). In the same period of 2009, there was similar but more diverse product coverage.

Chart 8
Anti-dumping initiations of new investigations by Member, January - April 2010

a) By reporting Member



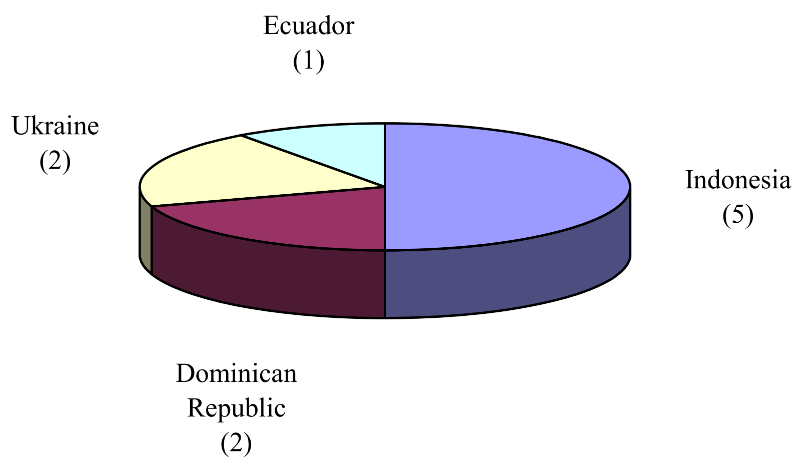
b) By affected Member



a Various countries affected by one investigation: Austria, Bosnia and Herzegovina, Brazil, Chile, France, India, Indonesia, Hungary, Italy, Japan, Malaysia, Netherlands, South Africa, Viet Nam.

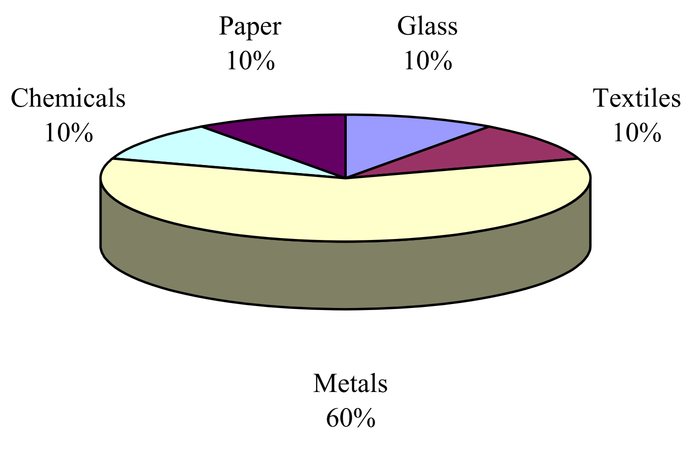
Source: WTO Secretariat estimates.

Chart 9
Safeguard investigations by initiating Member, January - April 2010



Source: WTO Secretariat estimates.

Chart 10
Safeguard initiations of new investigations, January - April 2010



Source: WTO Secretariat estimates.

57. While countervailing duty investigations spiked in 2009 to an almost historic level of 30, comparing January to April 2010 to the same period in 2009 shows a slight decrease from five to four initiations. These data make it difficult to project the total for the year, but a slight decrease could be expected. However, one notable change that could affect projections for this year is that the European Union has initiated its first countervailing duty investigation on Chinese exports.

2. Sanitary and Phytosanitary Measures (SPS)

58. The SPS Agreement provides several mechanisms to monitor the imposition of trade restrictions. All WTO Members are obliged to provide an advance notification of proposed new SPS requirements, except for measures taken in response to emergency situations for which notification is to be provided immediately upon taking the measure. Other Members have the opportunity to comment on these notified measures, both directly to the notifying Member and/or by raising the issue at a regular meeting of the SPS Committee.

59. During the period from 1 November 2009 to 15 May 2010, 635 regular notifications and 50 emergency notifications were submitted by Members. This compares with 312 regular notifications and 132 emergency notifications for the same period in 2008-09. The higher number of notifications signals either an increase in regulatory activity or an improved implementation of the SPS Agreement. The data shows a significant increase in the proportion of notified SPS measures from developing country Members: around 79 per cent of the notifications submitted from 1 November 2009 through 15 May 2010 came from developing countries (the corresponding figure for the same period in 2008-2009 was around to 67 per cent).

60. Any Member can raise a specific trade concern at any of the three regular meetings of the SPS Committee each year. In the two Committee meetings of October 2009 and March 2010, 12 new trade concerns were raised. In comparison, only 5 new specific trade concerns were raised between October 2008 and March 2009, and six new issues were raised in the June 2009 meeting.

61. Three of these 12 new issues raised concern import restrictions on beef and swine products due to either bovine spongiform encephalopathy or foot-and-mouth disease risk factors. Apart from these three new issues, three previously discussed issues on import restrictions were also raised in the SPS Committee during this period. For many of these cases, new risk assessments were being performed to determine whether to remove the import restrictions. Other Members have reported that certain WTO Members still maintain unjustified import restrictions.[21]

62. During this same period, one new trade concern was raised regarding restrictions of poultry meat due to avian influenza. Two previously raised concerns related to import restrictions on this same issue were also brought up during the period under study. These import restrictions relate to live birds, fresh poultry meat and meat products; and live pigs, pork products and sub-products.

63. A number of WTO Members have imposed (and a few of them still maintain) restrictions on imports of pork meat or products, and sometimes on additional products, from WTO Members who report high incidences of the A (H1N1) virus in humans, or any occurrence in pigs.[22]

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[21] According to the SPS Agreement, a WTO Member may impose requirements that exceed those of the relevant international standards only where they have undertaken an appropriate risk assessment and have scientific evidence to demonstrate that the international standard would not provide sufficient health protection. In what appears to be a growing number of situations, however, Members do not accept imports on the basis of the international standards but have not provided the required scientific justification.

[22] However, more countries have been lifting these restrictions recently than imposing new ones.

64. As of 1 December 2008, the SPS Committee has agreed to new transparency guidelines which state that Members are encouraged to notify all regulations that are based on, conform to, or are substantially the same as an international standard, guideline or recommendation, if they are expected to have a significant effect on trade of other Members. From 1 November 2009 to 15 May 2010, around 14 per cent of notifications have indicated that they do not conform to an international standard, 22 per cent have indicated that they do, while 64 per cent have not specified this information at all.[23]

3. Technical Barriers to Trade (TBT)

65. Two aspects of the TBT Committee's work are relevant to the surveillance and monitoring of regulatory measures that have an effect on international trade: Members' notifications of draft regulations, and the discussion of potential or actual trade effects of these measures in the Committee.

66. Under the TBT Agreement, Members are required to make a notification to the WTO if a proposed regulation may have a significant effect on trade of other Members. Since the Agreement entered into force, over 12,000 notifications of new or changed regulations have been submitted by 110 WTO Members. During the period November 2009 to May 2010, the number of notifications made to the Committee continued to increase compared with previous periods: 1,030 notifications were submitted (compared to 875 notifications in the previous six months). The higher number of notifications may signal either an increase in regulatory activity or an improved implementation of the transparency provisions of the TBT Agreement.

67. The number of notifications from developing country Members is rising steadily (Chart 11). About 80 per cent of the notifications submitted during the period under consideration came from developing countries only. This rise is mainly driven by China, Korea, Indonesia and Saudi Arabia. In particular, the growth in the number of Chinese notifications is part of a long-term trend which has lasted for about five years.

68. Members also use the TBT Committee as a forum to discuss specific trade concerns that arise between them and that relate to technical regulations, standards or conformity assessment procedures. These "specific trade concerns" relate normally to proposed draft measures (notified to the TBT Committee as described above) or to the implementation of existing regulations. Members have underlined the value of the Committee's discussions on specific trade concerns; these discussions provide an opportunity for a multilateral review that enhances the transparency and predictability in the application of standards, technical regulations and conformity assessment procedures.

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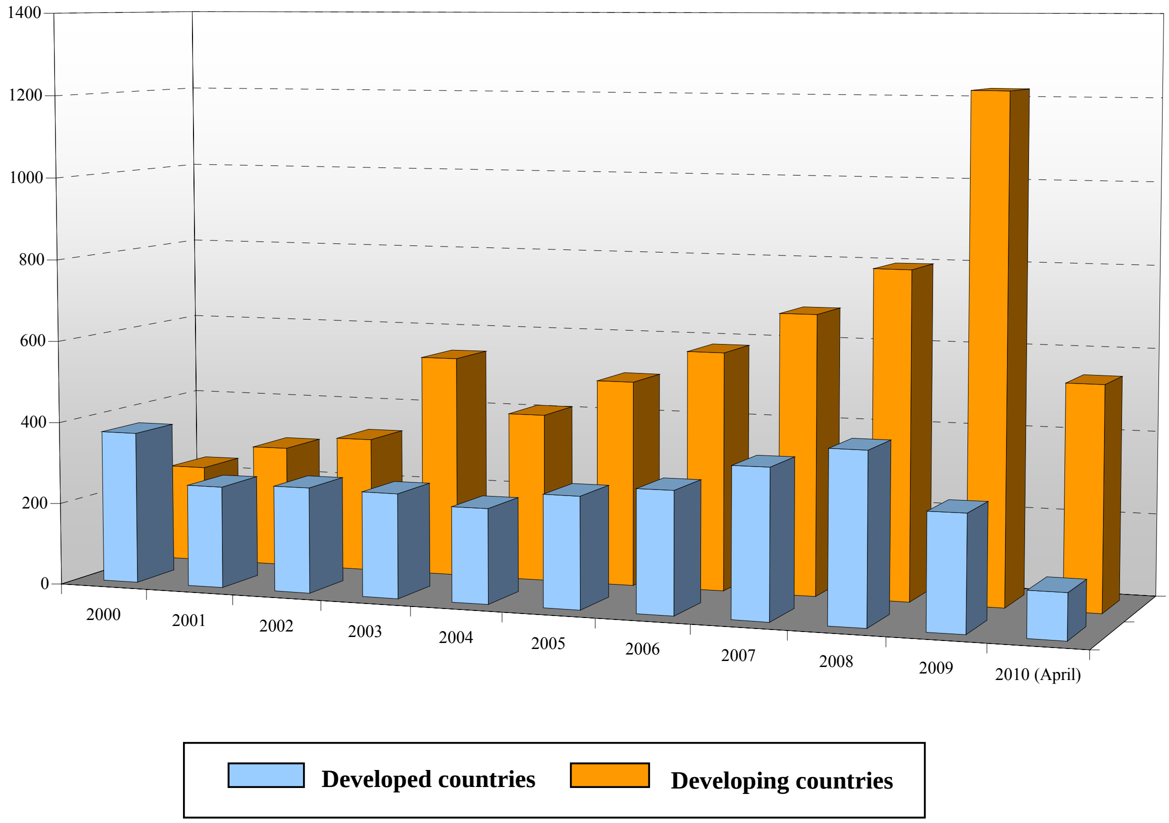
[23] This includes both regular and emergency notifications.

Chart 11
Number of TBT notifications since 2000

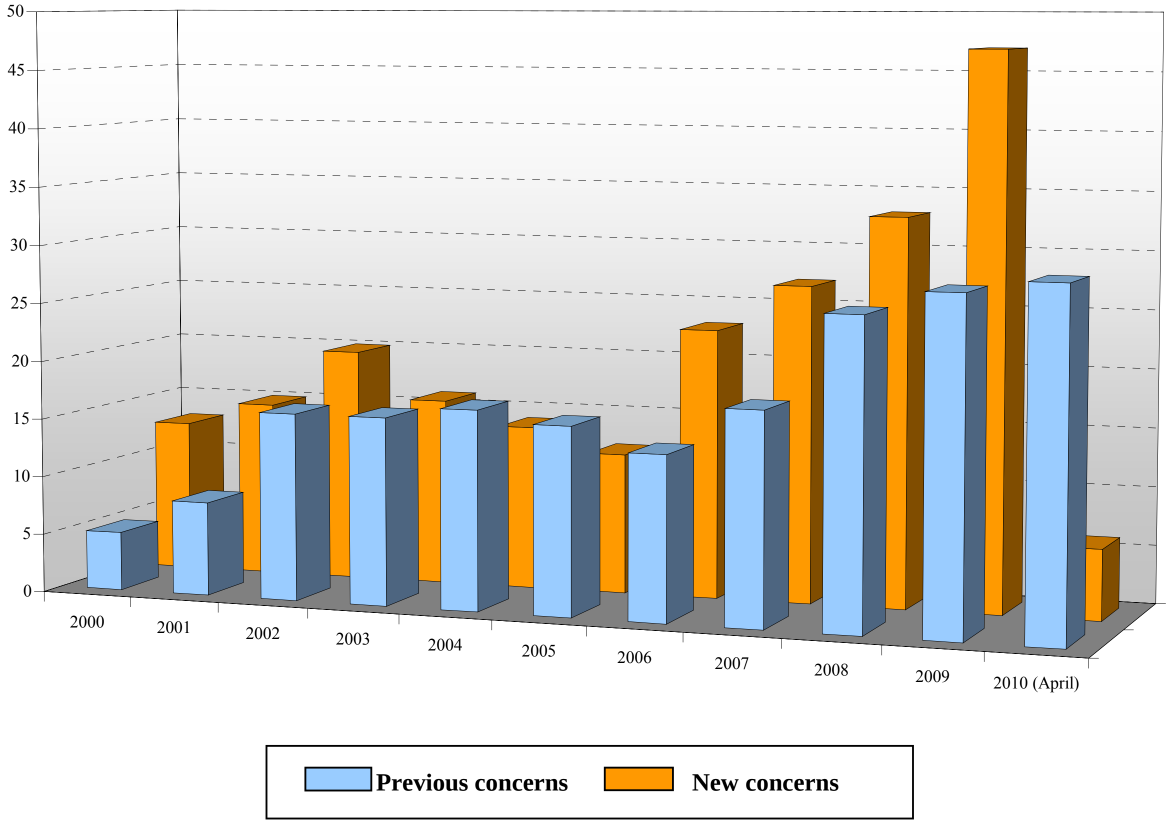


Source: WTO Secretariat.

69. Since the TBT Agreement entered into force, 264 specific trade concerns have been discussed in the Committee. The number of concerns raised and discussed in the TBT Committee has grown significantly over the last four years. In 2009, this number reached 75, a record number (compared to 59 in 2008) (Chart 12). The significant increase in specific trade concerns raised in the TBT Committee over the last few years may, to a certain extent, be an indication of the increasingly active participation of Members in the work of the TBT Committee; it may also indicate an enhanced awareness of the importance of the implementation of the requirements in the TBT Agreement. The most frequently invoked reason for raising a concern in the TBT Committee is the need for more information or clarification about the measure at issue. The review of specific trade concerns in the Committee is thus an important monitoring mechanism.

70. By and large, the regional distribution of Members maintaining measures subject to discussion in the Committee is spread evenly across the WTO membership, with the exceptions of African and Caribbean countries. Measures maintained by developing country Members have been most frequently raised for discussion (around 60 per cent of the cases). No measures maintained by LDCs have been raised in the TBT Committee yet. Currently, three of the specific trade concerns discussed in the TBT Committee – on seals, country of origin labelling and clove cigarettes - have led to formal proceedings under the WTO Dispute Settlement Understanding.

Chart 12
Number of specific trade concerns raised per year, 2000-2010 (April)



Source: WTO Secretariat.

4. Government procurement policies

71. Monitoring government procurement polices and practices remains a challenge, in part due to the nature of the agreement in the WTO (the plurilateral Government Procurement Agreement, GPA), but mainly to the lack of full information on changes in regulations and actual procurement practices at all levels of government. There has been a great deal of activity in this area over recent periods, in particular as a result of some components of the stimulus packages implemented in the context of the global financial crisis.

72. One important development related to government procurement during the period under review was the bilateral agreement between Canada and the United States which could provide a springboard for forward movement in the coverage negotiations under the GPA.[24] This possibility has arisen because key elements of the bilateral agreement are being implemented via the GPA. This also demonstrates the value of increased transparency.

73. The Canada-US bilateral agreement grew out of negotiations between the two countries to address trade frictions related to the impact on Canadian suppliers of "Buy American" requirements

[24] "GPA Signatories Hope U.S.-Canada Deal Triggers Stalled Market Access Talks," *Inside U.S. Trade*, February 19, 2010 and "Upbeat report on GPA talks," Washington Trade Daily, May 3, 2010.

contained in the American Recovery and Reinvestment Act of 2009 (i.e. the stimulus legislation).[25] While the restrictive impact of this legislation on the market access rights of GPA Parties is limited by a clause stipulating that the provisions in question shall be implemented "in a manner consistent with US obligations under international agreements"[26], the relief provided to Canadian suppliers by this clause was limited by the (until now) separate derogation implemented by the United States against Canada in respect of US state government procurements. This, in turn, reflected Canada's refusal, until now, to include its sub-central government entities in its GPA commitments.

74. In its revised GPA offer, Canada has undertaken to cover, for the first time, a range of entities from its provinces and territories. Specifically, it will cover entities from all ten of its provinces and two of its three territories. The additional coverage proposed in Canada's revised offer has, initially, been made available only to the United States under the terms of the Canada-US bilateral agreement. However, it has also been offered to other GPA Parties, subject to the negotiation of mutually acceptable commitments (a number of those other Parties have, until now, maintained their own derogations against Canada based on Canada's above-noted past refusal to schedule its sub-central entities). The entities that are proposed to be covered in Canada's revised offer have also been incorporated in Canada's current commitments, under its recent notification, and subject to conditions noted therein.[27]

75. For its part, the United States has removed its above-noted derogation against Canada in respect of its state government procurements in both its current commitments and its own second revised offer under the coverage negotiations. Further, the United States' second revised offer comprises additional procurement by relevant entities regarding seven programmes funded by the American Recovery and Reinvestment Act of 2009. This additional coverage has initially been made available only to Canada (as provided under the Canada-US bilateral agreement) but has also been offered to other GPA Parties, subject to negotiation of mutually acceptable commitments.

76. In other GPA-related developments during the period under review, negotiations on the accession of Armenia are close to being concluded. China has undertaken to provide a robust revised coverage offer in the negotiations on its own accession.[28] In addition, at its recent Trade Policy Review meeting, China indicated that it will submit by mid-July a new proposal to join the GPA. Work continues on the accession of Jordan, and India became an observer to the Agreement in February of this year.

B. POLICY DEVELOPMENTS IN TRADE IN SERVICES

77. With few exceptions, WTO Members are maintaining the general thrust of their services trade policies and the resulting level of market openness. Some are taking further steps to liberalize their services sectors to allow greater foreign competition.

78. <u>In the area of telecommunication services,</u> two-thirds of countries worldwide have eliminated monopolies and opened up fixed telephony to competition. More than 90 per cent of countries now permit competition in Internet access and mobile telephony. Three-quarters of countries no longer maintain limits of foreign ownership in the sector, while another five per cent allow foreign majority control. Privatization, either full or partial, is now in place in at least 125 fixed line incumbents and

[25] American Recovery and Reinvestment Act of 2009, Public Law 111-5 of 17 February 2009, Sections 604 and 1605.

[26] American Recovery and Reinvestment Act of 2009, id., Sections 604(k) and 1605(d).

[27] WT/Let/672, dated 19 March 2010.

[28] Second meeting of the US-China Strategic and Economic Dialogue, Joint US-China Economic Track Fact Sheet, 25 May 2010 (US Treasury Department website).

plans to privatize are underway in another 67 incumbents. In Europe and the Americas, the share of privatized incumbents is 70 per cent and the share in developing countries is 60 per cent.[29]

79. Recently, Tanzania issued five new mobile licenses, bringing the total number to twelve. Vietnam has issued a new license for a fixed network which brings to eight the total number of fixed line operators. India held long-delayed auctions for Third Generation (3G) licenses in April for each of its geographic "circles" as well as for a license with national coverage and has now completed auctions for wireless broadband spectrum. Costa Rica issued one mobile licence in January 2010 and will launch the tender for a second license in April.

80. In the area of financial services, fewer new government support measures for the financial sector have been implemented in the past six months, but it remains unclear which earlier programmes are still in place and which have been terminated. Not all available facilities or guarantees seem to have been used, a number of policies have expired by now, and other policies have been of a one-off nature (e.g. capital injections for troubled institutions) or have been made permanent (e.g. increases in minimum deposit insurance).[30]

81. Since 1 January 2010, Nepal has allowed foreign banks to engage in wholesale banking through branches offices throughout the country. Nepal Rastra Bank (NRB) has defined wholesale banking as deposits above Rs.100 million and lending above Rs.300 million. Foreign banks willing to open a branch are required to bring in at least US$30 million (Rs.2.24 billion) to be eligible for a license and are required to invest at least another US$5 million (Rs.374 million) for each branch they want to set up in the country. Foreign banks wishing to expand their presence in Nepal must be at least B-rated as per the evaluation of international rating agencies such as Moody's and Fitch.

82. After delaying further liberalization by over a year due to the global financial crisis, on 20 April 2010 the Reserve Bank of India (RBI) announced its decision to review its position by September this year in the wake of improving conditions worldwide.[31] According to its Annual Monetary Policy for 2010-2011, the RBI will prepare a discussion paper on the mode of presence of foreign banks through branch or wholly- owned subsidiary by September 2010.

83. On 18 March 2010, the Bank of Thailand (BOT) lifted the one-branch restriction for full branches of foreign banks. Notification No. SorNorSor 1/2553 allows foreign banks operating a full branch to operate two additional branches and expand their market presence. The new branch can be a general branch, an electronic branch (ATM), or a currency exchange counter. Once approval is granted, the additional branch must be set up within two years.

[29] Much of the global comparisons regarding telecommunications policies are drawn from ICT Regulatory News, May 2010, a report of recent data compiled for the ITU World Telecommunication/ICT Regulatory Data Base.

[30] For an overview of the measures taken by EU member states as at 12 May 2010, see "State aid: Overview of national measures adopted as a response to the financial/economic crisis", MEMO/10/179, Brussels, 12 May 2010, available at: http://europa.eu/rapid/pressReleasesAction.do?reference=MEMO/10/179 &format=HTML&aged=0&language=EN. For an update on the US Troubled Assets Relief Program (TARP), see the Monthly 105(a) Report – April 2010 (dated 10 May 2010), prepared by the US Treasury Department, and available at http://www.financialstability.gov/docs/105CongressionalReports/April%202010%20105(a)%20report_ final.pdf.

[31] In February 2005, the RBI released the "roadmap for presence of foreign banks in India" laying out a two-track and gradualist liberalization approach. The roadmap had been divided into two phases, the first phase spanning the period March 2005-March 2009, and the second phase beginning after a review of the experience gained in the first phase. When the second phase began in April 2009, the Indian Government decided to delay implementation in light of the global financial turmoil.

84. Targeted limitations have been introduced in the area of audiovisual services by Bangladesh and Indonesia. Bangladesh decided in April 2010 to re-impose a ban on the screening of Indian movies, which had been lifted earlier the same month. A new law adopted in Indonesia in 2009 established screen quotas permitting no more than 60 per cent of screen time for foreign films. The law also includes prohibitions against the dubbing of foreign films and prevents foreign-owned companies from distributing or exhibiting films.

85. A new regulatory framework for postal-courier services was passed in Indonesia in 2009. The New Law on Postal Services (2009) abolishes monopoly powers on certain postal services but also requires that postal service suppliers (including courier and express delivery companies) be majority-owned by Indonesians. It requires that collaboration between domestic and foreign suppliers (with minority ownership) be limited to a province or capital with an international airport or harbour. The New Law also requires private sector operators to contribute to the financing of the universal postal service and that non-universal service operators give priority to the delivery of items falling under the universal postal service, subject to compensation determined by the government.

86. Regarding trade in services through the movement of natural persons (Mode-4), from 1 October 2010 a labour market opinion will be applied in Canada to all applications for foreign information technology workers – workers in seven types of IT occupations are currently exempt from this requirement.

87. From 1 March 2010, employers in Costa Rica are required to pay foreign executives a salary at least 25 per cent above the minimum salary for a similar position. Also, "Consular Visas" for foreign business visitors can now be obtained upon arrival at a Costa Rican port of entry, rather than exclusively prior to entry.

88. The Indian Government has issued guidelines for stricter enforcement of business and work visa requirements. Indian diplomatic posts now accept employment visa applications only from nationals of the country where the post is located. Other nationals are required to file their applications at the Indian diplomatic post in their country of citizenship. Additionally, it is no longer possible to use a business visa to engage in 'project or contractual work' in India. The new guidelines limit the issuance of business visas strictly to business-related activities, which generally include attending business meetings, exploring opportunities for investment or establishing a business. For other activities, an employment visa is required. The new rules have made it necessary for expatriate workers performing contract or project work under a business visa to leave India and re-enter the country for completing their existing assignments under an employment visa. The new guidelines tighten the criteria for foreigners wishing to perform project or contractual work to qualify for employment visas. Applicants, be they intra-corporate transferees or directly hired employees, are required to hold a senior-level, skilled position with the sponsoring company. Moreover, applications involving jobs for which a large number or qualified Indian nationals are available will not be considered. A new quota system is also being enforced which limits the number of foreign nationals to 1 per cent of the employer's workforce or 20 foreign workers in total, whichever is less. Companies seeking more overseas workers need the approval of the Ministry of Labour and Employment.

89. On 15 July 2009, the Japanese Government enacted significant changes to its Immigration Control and Refugee Recognition Act. The changes, which will take effect over the next three years, include the implementation of a new Resident Card, generally valid for the duration of the foreign national's period of permitted stay (previously, the Card was valid for one to five years, regardless of the permitted length of stay). The new Resident Cards will be automatically issued upon landing to individuals granted a stay of more than three months, subject to exceptions. Foreign nationals will therefore no longer need to register with their local Municipal Office. In addition, a new visa category will be introduced for trainees, to allow them to enter Japan and engage in on-the-job

training activities under an employment contract. Currently, individuals undergoing on-the-job training use the non-work trainee visa status, and they can perform work activities only by changing visa status. The new visa category is expected to be implemented on or before 15 July 2010.

90. Panamanian immigration authorities have increased the maximum duration of stay for business visitors to 180 days; nationals of countries for which Panama requires an "Authorised Visa" will generally still be limited to maximum stays of 30 days.

91. New Zealand is introducing two new immigration categories. The first will allow 300 qualifying foreigners aged between 20 and 35 to apply for work with any employer in the country for up to nine months; the second is available to another 300 young individuals who already have a permit and have received an offer of skilled employment in New Zealand for at least 12 months, for a maximum duration of stay of 24 months.

92. The Swiss Federal Council has changed the 2010 work permit quotas for non-EU/EFTA nationals on assignment in Switzerland for more than 90 days. The quota for B-permits, which are used for long-term assignments, is limited to 3,000 (reduced from 4,000 in 2009), the one for L-permits, which are issued for a period up to one year (but are extendable up to 24 months) is 8,000 (up from 7,000 in 2009).

93. Changes to the United Kingdom's Points Based System took effect on 6 April 2010. The changes broaden the Tier 1 category for highly skilled foreigners to allow individuals with a bachelor's degree to earn points (this was previously possible only for holders of graduate-level degrees), and reduce the initial duration of stay from three to two years, while providing for the possibility of a three-year extension. Changes concern also the Tier 2 (intra-corporate transferees) category, as follows: two new subcategories have been created to allow for intra-company transfers of graduate trainees who have worked for the sending employer for at least three months, for a maximum period of one year, and of newly-hired graduates who move to learn or teach skills relevant to their new position, for a duration of stay of up to six months; the pre-employment requirement for the "standard intra-corporate category" has been increased from six to twelve months.

94. The Vietnamese Immigration Department has recently reduced the maximum initial period of stay for business visa holders from six to three months. If business visitors seek to remain in the country beyond these new maximum periods, they must obtain a work permit.

IV. GOVERNMENT SUPPORT MEASURES

A. OVERVIEW

95. Previous monitoring reports have noted that many governments around the world, in particular those in industrialized countries, but not only them, provided massive support to financial institutions, either through guarantees, recapitalization schemes, or through "cleaning" of balance sheets from impaired assets. Other sectors of the economy also benefited from exceptional government support measures. The vast majority of these measures and actions were undertaken during the first phases of the global crisis, and new measures are becoming less frequent. The majority of new government support measures listed in Annex 2 are state aid to specific sectors (mainly agriculture), and credit insurance and guarantee schemes.

96. Government support measures were introduced to counteract the impact of the global crisis, and to jump-start the economic recovery. Nevertheless, their implementation raised, and continues to raise, concerns about some of their unintended effects on open competition and trade. For example, scrutiny of stimulus packages has revealed the extent to which government procurement in many economies escapes meaningful multilateral disciplines.

97. Almost all government support measures were aimed at achieving one, or all, of the following policy objectives: to increase global demand (through infrastructure projects), stabilize financial markets (through bail-outs of financial institutions), and to provide support to specific sectors heavily affected by the global crisis.[32] In each one of these areas there are elements that potentially favour trade, and elements that potentially distort trade.

98. In the area of support to specific sectors, government measures took mostly the form of consumption or production subsidies, except on a limited number of instances of export subsidies in agriculture (which have a direct impact on trade patterns). Consumption subsidies (such as tax rebates and direct payments) are in principle trade-neutral by increasing demand not only for domestic products but for imported goods as well. Production subsidies on the other hand have the potential to distort trade, in some cases quite significantly. It is not the size of the production subsidy intervention *per se* that matters in this regard, but its non-neutral nature *vis-à-vis* domestic and foreign firms that may distort trade. For example, bailouts of major financial institutions will constitute (in the case of credit shortages) a trade distortion if the programmes require a withdrawal from overseas business in order to support domestic lending or if bailouts favour domestic banks and discriminate against foreign banks.

99. Production subsidies apply to output regardless of its market destination. This type of subsidy can have a direct impact on trade (exports, imports or both), depending on whether the subsidy is granted to an industry that is export-competing, import-competing or both. For an export competing industry, production subsidies would boost exports but would have an overall ambiguous effect on world trade; production subsidies for an import-competing industry would lead to a decline of imports and thus to a decline of world trade; and if an industry is both export and import competing the overall effect on world trade is ambiguous. Overall, production subsidies are not necessarily good for world trade as they may discriminate against foreign firms, and may postpone necessary restructuring efforts leaving overcapacity and low productivity in the affected sectors.

100. During the period under review, a number of countries, in particular G20 economies, continued to make available stimulus packages or provide state aid, including export credit schemes and specific support predominantly benefiting the agriculture, financial and automotive sectors.[33] Most stimulus packages include specific measures for SMEs. As a result of this type of support, State involvement in industries in crisis continues to be high. While these measures were necessary to overcome the global crisis and improving the economic conditions, there are still fears that the future exit of public funds from rescued firms could lead to an increase in economic nationalism. UNCTAD notes that overall, the quantity of new state aids and stimulus packages has decreased more recently; in addition several countries have started to terminate existing aid schemes.[34]

101. The following section provides an overview of three sectors where a number of governments implemented specific measures having a direct or indirect impact on trade and competition. The aim is to present an economic analysis of the sectors' performance before the global crisis erupted, a description of government specific measures, and their trade performance in the context of the crisis. The analysis shows that these sectors were confronted with adjustment problems long before the crisis, that they were already heavily hit by trade restrictions in the past, and that important challenges

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[32] For example, direct and indirect support to particular sectors have been frequent, with one third of OECD countries offering some type of financial support for their automotive industries, and many countries engaging in interventions to forestall plant closure through managed bankruptcies and government sanctioned mergers, as well as demand-side measures such as car scrapping schemes (OECD, Trade, Policy and the Economic Crisis, May 2010).

[33] For example, the European Commission's temporary framework for state aid allows EU Member States to grant limited amounts of aid (direct grants) to farmers encountering difficulties as a result of the financial crisis.

[34] UNCTAD, Investment Policy Monitor, N° 2, 20 April 2010.

still remain in face of them. The scope of the analysis is a first step towards a fuller analysis of trade developments in these sectors.

B. THE AUTOMOBILE INDUSTRY

1. Introduction

102. The automobile industry plays a significant role in many domestic economies and in international trade.[35] The industry is characterized by high degrees of disintegration along the value chain, important economies of scale and product differentiation. During the last decades, there have been structural changes in the industry, with waves of mergers and acquisitions, and relocation of production - especially labour-intensive production stages - away from high-wage OECD countries towards low-wage non-OECD ones.

103. The auto industry was hit hard by the global financial crisis, because demand for automobiles depends on access to credit (⅔ of auto purchases being done with credit). The slack in demand was exacerbated by uncertainty and lower levels of disposable income, which negatively affected purchases of durable goods, like cars. Production and export levels worldwide dropped significantly in the last months of 2008 and in the first semester of 2009, with some signs of recovery during the last twelve months.

104. Governments have implemented a number of measures in the auto industry, both to support producers' balance sheets and to sustain consumer demand (through for example the car scrapping programmes). The short-run impact of these measures is hard to quantify absent a counterfactual, but there is some evidence indicating that these measures have somewhat contributed to GDP recovery. Although none of them are specific trade measures, they are likely to have some trade effects.

2. Sectoral production and trade structure

105. The automobile industry constitutes an important sector in the world economy. In fact, despite a relatively small average share in terms of manufacturing value added, employment and exports, the sector is characterised by important upstream and downstream spillovers over the economy. The OECD estimates a multiplier effect from the automobile industry to the rest of the economy to be close to three in G7 countries, meaning that a US$1 increase in the value added delivered by the automobile industry would increase output by US$3. This effect is larger than the multiplier of most, if not all, other industries and always stronger than the average industry multiplier, estimated at 2.2.[36]

106. The automobile industry has some specific features. The sector is characterised by a high capital to labour ratio, which, other things being equal, gives a comparative advantage in the sector to countries where capital is abundant relatively to labour. At the same time, there is a high level of disintegration along the value chain, whereby automakers and part suppliers form buyer-supplier relationships on a global scale. Since some of the parts and components used for the final production of automobiles are labour-intensive, their production is carried out in labour-intensive countries. This is why among the top exporters in the sector there are both OECD and non-OECD countries.

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[35] For the purpose of this study, the automobile industry is defined as sector 34 in the ISIC (International Standard Industrial Classification), Rev. 3 nomenclature. The sector is classified as "Manufacture of motor vehicles, trailers and semi-trailers", and it includes "Manufacture of motor vehicles"; "Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers"; "Manufacture of parts and accessories for motor vehicles and their engines".

[36] OECD Economic Outlook, No. 86, Chapter 2: The automobile industry in and beyond the crisis, November 2009.

107. Another marked characteristic of the sector is the importance of dynamic economies of scale. This has given rise to waves of mergers and acquisitions and to concentration of brands in a handful of countries. The historical trend of production is however shifting away from OECD countries, towards non-OECD countries. Factors that have encouraged this trend include labour costs, market saturation in OECD countries, high shipping costs and efforts by automakers to locate production close to consumer markets.[37]

108. The ILO estimates automotive production employment to be 8.4 million people globally in 2004, and just under 10 million in 2007.[38] China has the largest share in total world employment (39 per cent), followed by Germany, the United States and Japan (Table 2). These last three countries have the largest shares of world sectoral value added, with China lined well behind in the fourth position. This may indicate that Chinese production in this sector consists mainly of standardized parts and components.

109. Data on sectoral employment and value added, as a share of the overall levels of these variables in each country's manufacturing sector, is shown in Table 3. The share of employment in the auto sector in total employment in manufacturing is highest in Germany, Japan and Korea.[39] Clearly, these are the countries where employment concerns of fluctuations in sectoral output and growth rates are likely to be more relevant. The figures on value added show similar patterns, with Germany, Japan and Korea having the largest share of sectoral value added in manufacturing value added in 2005.

Table 2
Country share of world employment and value added in automobiles, 2005
(Per cent)

Share of world employment		**Share of world value added**	
Country	**Share**	**Country**	**Share**
China	39.0	United States	26.9
Germany	9.6	Japan	22.3
United States	9.4	Germany	13.9
Japan	8.1	China	8.6
Russian Federation	5.7	Korea, Rep. of	5.7
Brazil	4.1	France	4.2
France	3.1	Brazil	3.0
Korea, Rep of	2.6	United Kingdom	2.7
United Kingdom	2.1	Spain	2.0
Italy	1.8	Italy	1.7
Spain	1.8	Sweden	1.3
Iran	1.2	Indonesia	0.8
South Africa	1.2	Belgium	0.7
Poland	1.2	Poland	0.7
Czech Republic	1.2	Austria	0.7
Sweden	1.0	Iran	0.7
Total	**93.1**	**Total**	**95.92**

Source: UNIDO IndStat.

[37] OECD Economic Outlook, No. 86, Chapter 2: The automobile industry in and beyond the crisis, November 2009.

[38] ILO, "The current global economic crisis: sectoral aspects", March 2009.

[39] The table is sorted by the top ten exporters. It reports 2005 data because it is the last year in which UNIDO statistics are available for all the top ten exporters.

Table 3
Automobile sector employment and value added shares, 2005

Country	Automobile employment (thousand)	Share in manufacturing employment (per cent)	Automobile value added (US$ million)	Share in manufacturing value added (per cent)
Germany	865.0	12.4	76,000	14.2
Sweden	81.4	11.5	6,800	11.0
Iran	110.0	10.5	3,700	16.0
Japan	726.7	9.6	120,000	12.9
South Africa	108.5	9.2	3,300	8.2
Korea, Rep. of	237.0	8.7	31,000	10.2
Czech Rep.	103.4	8.6	3,600	12.8
Belgium	47.0	8.1	4,100	6.8
France	275.3	7.5	23,000	8.6
Spain	159.0	6.5	11,000	7.0
United States	839.0	6.4	150,000	6.7
United Kingdom	191.3	6.1	15,000	5.7
China	3,500.0	5.9	47,000	6.7
Brazil	366.0	5.9	16,000	8.5
Slovak Rep.	23.3	5.8	710	9.7

Source: UNIDO IndStat.

110. The automobiles sector plays a significant role in world trade, representing on average 10 per cent of world merchandise exports (Table 4). Auto exports have followed a positive trend between 2003 and 2007, with two-digit growth rates in 2004, 2006 and 2007 and an 8.1 per cent growth rate in 2005, before experiencing a slowdown in 2008 and a large decrease between 2008 and 2009 (-32.2 per cent). There has however been a downward trend in the share of auto exports in total merchandise exports (from 10.4 per cent in 2003 to 8.7 per cent in 2008, and down to 7.6 per cent in 2009). The reason for this downward trend is that world exports have grown at rates exceeding auto exports in booming years, and have contracted less than auto exports during the recent crisis. The latter phenomenon can be explained by the fact that the financial crisis disproportionately affected demand for consumer durables, leading consumers to postpone purchase of automobiles due to increased economic uncertainty and/or a reduction in disposable income.

Table 4
World exports in the automobile industry, 2003-09

	2003	2004	2005	2006	2007	2008	2009
Automobile exports value (US$ billion)	722.50	848.90	917.90	1,015.90	1,205.90	1,244.10	843.90
Percentage change from previous year		17.49	8.12	10.68	18.70	3.17	-32.17
Percentage of world merchandise exports	10.37	10.05	9.67	9.31	9.56	8.69	7.55

Source: GTIS data.

111. From a regional perspective, the share of automobile exports, as percentage of total regional merchandise exports, is highest for OECD countries (12.3 per cent, Table 5). All other regions' shares are below 10 per cent, including South Asia and East Asia. Thus, the industry seems not to be extremely important in the export composition of any region, especially for Asia.[40]

112. In some economies, however, auto exports are important in the national composition of merchandise exports. The share is larger than one fourth in Japan and Slovakia, and larger than one fifth in Spain (Table 6). In these economies there is indeed a high reliance on automobile exports, which play a major role in their trade integration.

[40] A similar decomposition by income group reveals similar patterns.

Table 5
Automobile exports as a percentage of total merchandise exports (by region), 2007

OECD	12.33
Latin America and Caribbean	9.28
Europe and Central Asia	8.14
Sub-Saharan Africa	6.90
South Asia	2.71
East Asia and Pacific	2.40
Middle East and North Africa	0.33

Source: GTIS data.

113. The major exporters in the sector are Germany, which with US$239 billion accounted for almost 20 per cent of world exports in 2007, Japan (14 per cent), the United States (9 per cent), France (6 per cent) and Canada (5 per cent).[41] Japan, Spain, Germany and Canada (for which cars represent a high share of their total exports) have a significant share of world exports in the sector. In countries like the Slovak Republic and Slovenia, on the other hand, auto exports respectively accounts for 23.3 per cent and 18.4 per cent of national merchandise exports, but these two countries do not figure in the list of the top twenty exporters.

Table 6
Automobile exports as a share of total merchandise exports (top 20 countries), 2007

Japan	23.73
Slovak Republic	23.26
Spain	21.01
Slovenia	18.43
Germany	18.07
Czech Republic	16.75
Mexico	15.41
Canada	15.19
Turkey	14.82
Sweden	13.78
Poland	13.50
Korea, Rep. of	13.23
France	12.31
Portugal	11.98
Belgium	11.44
Hungary	11.36
Austria	11.22
United Kingdom	10.22
Cyprus	10.15
Argentina	9.48

Source: GTIS data.

114. The United States, with its sizeable domestic demand, represents the largest destination market of automobiles exports, accounting for 19 per cent of world imports in 2005 (GTIS data). Other major importers are Germany (almost 9 per cent), the United Kingdom (7 per cent), France (6 per cent), Canada (6 per cent), Spain (5 per cent) and Italy (5 per cent).

[41] GTIS data. The other countries in the list of ten top exporters in 2007 are Spain, Belgium, Korea Republic, the United Kingdom and Italy.

115. It should be noted that the auto sector, being characterized by economies of scale and product differentiation, is a natural candidate for two-way trade of the intra-industry type.[42] This is the reason why top exporting countries largely overlap with top importing ones.

3. Impact of the global crisis on production and trade

116. The automobile industry was hit hard by the global financial crisis of 2008, experiencing the largest contraction of demand since the Second World War. The downturn was synchronized, with declines in car sales not only in OECD countries – where sales of automobiles fell on average by more than 20 per cent from September to January 2009 – but also in newly industrialized economies, like Brazil and China. Econometric evidence shows that 80 per cent of the reduction in car sales in the United States and Canada at the end of 2008 is attributable to tight credit conditions.[43] Tight credit conditions also had a significant negative effect in other G7 countries, except France, implying that potential buyers postponed purchases because of the inability to obtain auto loans on affordable terms. Other factors that have contributed to the fall in demand for cars are the reduction in income growth, the sharp increase in oil prices in 2008, the increased lifespan of motor vehicles, the increase in vehicle registration fees and the increased uncertainty about the future economic prospects, which leads consumers to increase precautionary savings and cut on postponeable durable goods' purchases.

117. All major producers of automobiles have been hit by the crisis, although in somewhat asymmetric ways. In the US market, sales of Chrysler contracted by 30 per cent, Ford and General Motors by more than 20 per cent, Nissan and Hyundai by more than 10 per cent, Toyota by 15 per cent and Honda by 8 per cent between December 2007 and December 2008, on a year-on-year basis. European brands also saw their US sales decline in the same time frame, with a 10 per cent reduction for BMW, more than 4 per cent for Volkswagen and more than 1 per cent for Daimler.[44] In Europe, there is some evidence that sales of small cars have fallen less than sales of other vehicles, contributing to the trend increase in the share of small cars.[45]

118. The immediate response of automobile producers to the crisis has been to slow down production. The OECD estimates that the number of passenger vehicles produced between December 2008 and May 2009 declined by 33.4 per cent in the United States, 17.8 per cent in Japan, 8.1 per cent in the United Kingdom and 13.9 per cent in Canada.[46] These reductions were carried out through temporary closures of supplier and assembly plants worldwide and reduction in employment (fewer hours worked, layoffs of temporary employees).[47] At the same time, auto producers worldwide sought various forms of government support, which is discussed in the next section.

119. Following the fall in demand, export volumes of automobiles also plunged at the end of 2008 and into early 2009. The slack in exports across the top five exporters in late 2008 until mid-2009 was highly synchronized and substantial (Chart 13). The year-on-year export growth rate was

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[42] Krugman, Paul (1980), "Scale Economies, product Differentiation, and the Pattern of Trade", American Economic Review 70(5).

[43] OECD Economic Outlook, No. 86, Chapter 2: The automobile industry in and beyond the crisis, November 2009.

[44] The data are from The Economist, "World Cars: The big Chill", January 16th 2009.

[45] OECD Economic Outlook, No. 86, Chapter 2: The automobile industry in and beyond the crisis, November 2009.

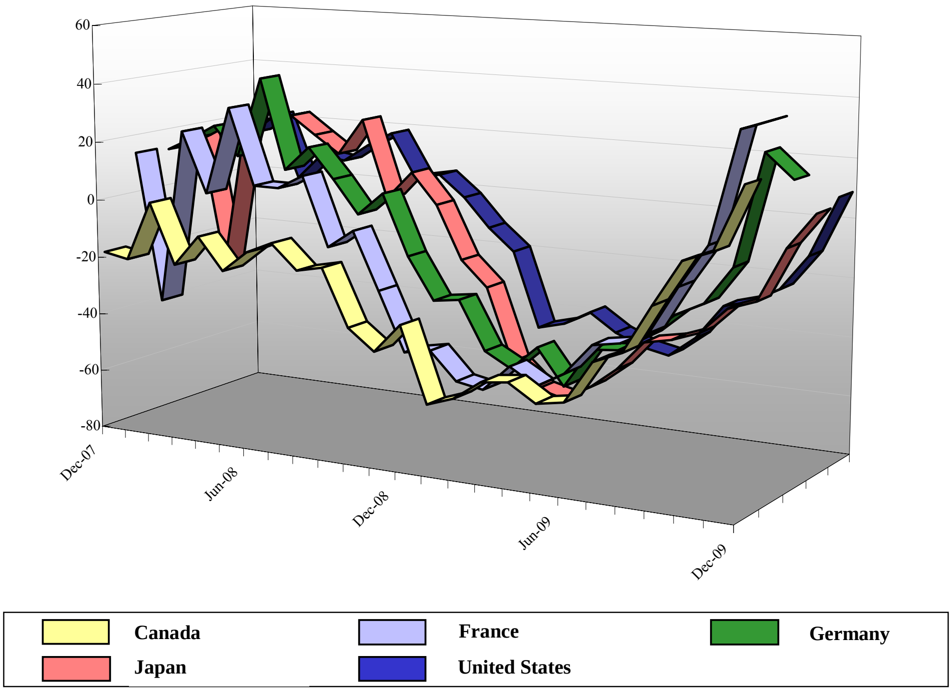
[46] OECD Economic Outlook, No. 86, Chapter 2: The automobile industry in and beyond the crisis, November 2009.

[47] Cross-country comparable data on employment are not available after 2005. As an example of radical reductions in employment during the global crisis, one could cite the state of Michigan, in the United States. The ILO reports that in 2007 the assembly and parts manufacturers employed nearly 190,000 people. By December 2008 this was down to 153,000. The decline from December 2007 to December 2008 was 10.6 per cent for assembly and 22.2 per cent for parts.

negative between February 2008 and February 2009 for all of the top twenty exporters (Chart 14). Exports have restarted to grow in mid-2009, with year-on-year growth rates becoming less and less negative, and turning positive towards the end of the year. This upshot in export growth rates closely mirrors the increase in automobile sales that took place since mid-2009. For instance, data from the European Automobile Manufactures' Association (ACEA) show positive year-on-year growth rates in passenger car registrations between June 2009 and March 2010.[48]

120. Export volumes decreased for all countries, but not at the same pace. As a consequence, some countries increased their share in world exports of automobiles, while others saw their share shrink (Chart 15).[49]

Chart 13
Automobile exports, December 2007 - December 2009
(Year-on-year growth for top 5 exporters)

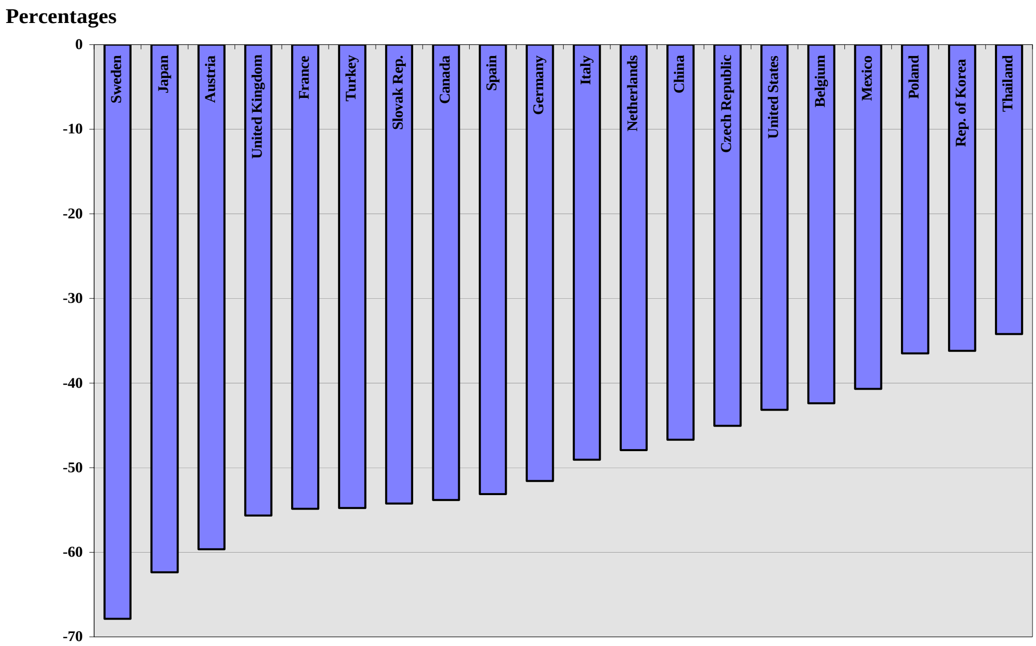


Source : GTIS data.

[48] The growth rates were: 3 per cent in June 2009, 3.1 per cent in July, 3.3 per cent in August, 6.3 per cent in September, 11.6 per cent in October, 26.9 per cent in November, 16.4 per cent in December, 16.4 per cent in January 2010, 12.9 per cent in February, 3 per cent in March and 10.8 per cent in April (European Automobile Manufacturers' Association, ACEA, "Passenger cars: registration down 7.4% in April", April 2010).

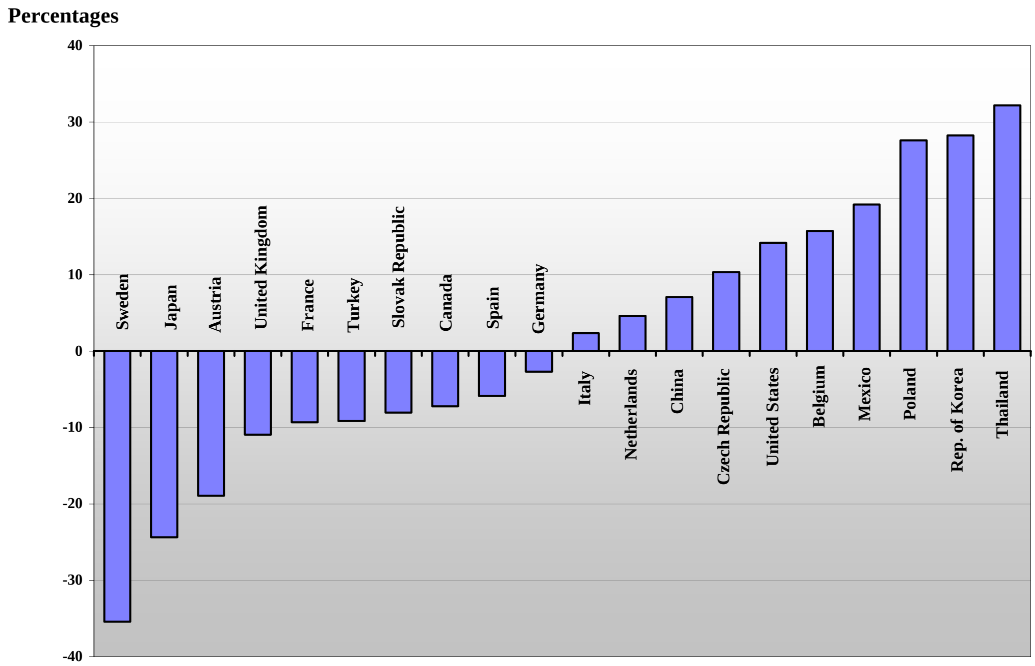
[49] Whether the global financial crisis will have permanently affected the patterns of production and trade is a question that can only be addressed in the future, as more data become available.

Chart 14
Growth in automobile exports, February 2008 - February 2009



Source: GTIS data.

Chart 15
Change in the share in automobile world exports, February 2008 - February 2009



Source: GTIS data.

4. Responses to the crisis and their economic impact

121. As mentioned above, all major manufacturing producers sought some kind of government support in the context of the 2008 global crisis. A wide range of measures have indeed been implemented in the automobile industry to respond to the global slowdown. These measures can be divided into various categories:

- First, credit guarantees and direct lending have been extended to vehicle producers to maintain their solvency and liquidity. These financial support measures have been intended at helping the most affected producers to stay in business, stave off permanent closure of factories and provide producers with sufficient cash to allow them to carry on lending to customers.[50] As argued by the OECD, government interventions are motivated by various factors, including the following: (i) the industry is highly concentrated, making it politically sensitive (this explains the demand for these measures); (ii) the industry is characterized by strong spillovers (see above); and iii) when automakers have financing companies, bailing them out is a way of addressing wider financial sector problems.

- Second, governments have adopted programmes aimed at stimulating consumer demand in the short term, in the form of tax cuts, rebates and subsidies. In most cases, these programmes have incorporated longer-term environmental objectives such as cleaner vehicles. These "scrapping" programmes involve shifting purchases from the future to the present by subsidising the purchases of (in most cases) new energy-efficient vehicles. In 2009, car scrappage subsidies were worth some € 6.5 billion in Europe[51], ¥ 370 billion (€ 2.78 billion) in Japan, and US$3 billion in the United States.[52]

- Third, some measures have been implemented to support displaced workers in the industry. These include, among others, creating special re-employment services at the production site and facilitating transition to new jobs and avoid falling in long-term unemployment traps.[53]

122. Table 7 illustrates the trade and trade-related measures implemented in the automobile sector over the period November 2009 to mid May 2010.

123. The effects of government support measures are hard to asses, because the counterfactual (what would have happened in their absence) cannot be observed. On the one hand, auto producers' bailouts helped them survive the crisis. The measures taken to support demand have also had a positive effect on new car registrations, which went up sharply both in the European Union and in the United States. Overall, the OECD estimates that the car purchase incentive measures have had positive impact on the economies, with motor vehicle output adding 1.7 percentage points to real GDP change in the third quarter of 2009 in the United States, and positive but somewhat smaller effects in the euro area.[54]

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[50] The Economist, "World Cars: The big Chill", 16 January 2009. Some producer support measures have targeted small and medium sized enterprises in the automobile value chain.

[51] Financial Times, "Automotive industry sputters back to life", May 4th, 2010.

[52] OECD Economic Outlook, No. 86, Chapter 2: The automobile industry in and beyond the crisis, November 2009.

[53] ILO, "The current global economic crisis: sectoral aspects", March 2009.

[54] OECD Economic Outlook, No. 86, Chapter 2: The automobile industry in and beyond the crisis, November 2009.

Table 7
List of trade and trade-related measures in the automobile industry
(November 2009 – mid-May 2010)

Country	Measure
Argentina	Initiation on 2 November 2009 of anti-dumping investigation on imports of electrical ignition or starting equipment of a kind used for spark-ignition or compression-ignition internal combustion engines (for example, ignition magnetos, magneto-dynamos, ignition coils, sparking plugs and glow plugs, starter motors), generators from China.
Argentina	Introduction of non automatic import licensing requirements, covering products such as autoparts, vehicles, parts and accessories of motor vehicles.
Argentina	New customs regulation "aduanas especializadas en el despacho de determinadas mercaderías de importación para consumo" amending the list of entry points (selected seaports and airports) for certain products such as vehicles and parts and accessories.
Australia	Reduction of applied tariffs on passenger motor vehicles and parts (from 10% down to 5%), as from 1 January 2010.
Brazil	Amendments to the IPI value-added tax incentive scheme. IPI increased (to 7%) for commercial vehicles as from March 2010.
China	Initiation on 6 November 2009 of anti-dumping and countervailing investigations on imports of saloon cars and cross-country cars of a cylinder capacity of no less than 2,000 cc from the United States.
India	Amendment to the Import Licensing Note No. 2(II)(d) under Chapter 87 restricting entry points for imports of new vehicles to nine seaports and international airports.
India	Withdrawal of hot rolled coils, including seamless tubes/pipes, parts and accessories of motor vehicles from the import restricted list.
India	Elimination of import tariffs for refrigeration units ("air conditioners") used for the production of refrigerated vans or trucks, effective as from 27 February 2010.
Israel	Amendment to the import car scheme, allowing foreign manufacturers to select different licensed importer.
Italy	Temporary interest rate subsidies for "green" products (overall budget €300 million (US$369.2 million)) until 31 December 2010. The Italian scheme, provides for interest rate subsidies for the production of environmentally friendly (green) products related to an early adaptation to, or overachievement of, adopted but not yet in force EU environmental product standards. The beneficiaries will include in particular the car sector.
Japan	As part of the New Stimulus Package, Government programme (¥370 billion (US$4 billion)), to encourage the purchase of environmentally friendly vehicles (local and imported). The amount of subsidies depends on the type of the vehicle, the age of the car to be replaced, its fuel efficiency, or simply purchase of new one without replacement. Programme undergoing amendments to facilitate greater participation of imported cars.
Malaysia	Exemption of import tariffs on completely built-up hybrid cars "CBU", and reduction (50%) of the excise duty, for the period 1 January 2010 to 31 December 2010.
Poland	Aid (Zl 11.7 million (US$3.4 milliom)) for Volkswagen Motor Polska Sp. Z o.o, under a block exemption regulation.
Romania	Guarantees for FORD Romania (overall budget €400 million (US$492.3 million)). The EU Commission authorized, under the EU State aid rules, a State guarantee for FORD Romania SA to access a loan from the European Investment Bank for the period 2009-14. The loan will co-finance the development of a low CO2 engine and subsequent vehicle production at Ford's Craiova plant.
Russian Federation	Temporary increase of import tariffs on snowmobiles (from 5% to 10%), abolished in January 2010.
Russian Federation	Cash-for-clunkers plan (Rub 10 billion (US$321.85 million)) allocated in the Federal Budget for 2010. Rub 50,000 (US$1,609) for vehicles older than 10 years. Both foreign and domestic old cars can be utilized under this programme, but only new domestic cars can be bought with the discount. The plan is part of the "Plan of Industry Support".
Slovak Rep.	Aid (€14.3 million (US$17.6 million)) for Volkswagen Slovakia aiming at the transformation of an existing plant in Bratislava. The project involving eligible investments of €300 million (US$369.2 million) by Volkswagen Slovakia, is aimed at contributing to the development of the region's economy.
Sweden	State guarantee (€400 million (US$492.3 million)) for SAAB Automobile AB to access a loan from the European Investment Bank, for the period 2010-19. SAAB is ask to pay an adequate remuneration for the guarantee and provide sufficient securities in the case the guarantee would be drawn.
Venezuela	Authorization of import of certain parts and auto parts under the "Regimen de material de ensamblaje importado para vehículos (MEIV)" for the assembly of cars. An import tariff of 3% is applied. Imports require a prior authorization by the "Ministerio del Poder Popular de Planificación y Finanzas y para la Ciencia, Tecnología e Industrias Intermedias".

Source: WTO Secretariat.

124. However, these schemes suffer from a payback effect: in most cases, sales are depressed when the support measures are phased out. For instance, in Germany, where the scrapping scheme ended in September 2009, sales have been slipping on year-on-year terms since then, marking for instance a 31.7 per cent drop in April 2010 relative to April 2009. In France, where a scrapping scheme is still in place, there was a 1.9 per cent increase in new vehicles' registration over the same period.[55]

125. Moving to possible effects on trade flows, it should be noted that scrapping programs have positive spillover effects across nations, insofar they do not discriminate according to the origin of the vehicle. Absence of synchronization of the duration and coverage of scrapping schemes across nations is likely to increase foreign sales (towards countries where demand is sustained by such a scheme), relative to domestic sales (in countries where the payback effect lowers demand). It is interesting to note, for example, that in April 2010, orders of German car exports went up 58 per cent on a year-on-year basis[56], while domestic sales, as reported above, fell by 31.7 per cent.

126. Finally, government support programmes may have negative long-run effects, by distorting competition in favour of incumbent firms, distorting the incentives for overall industry restructuring, and shifting demand away from high-margin luxury cars toward low-margin sedans.[57]

C. THE IRON AND STEEL SECTOR

1. Introduction

127. The iron and steel industry plays an important role in many economies and in international trade. Steel is an important input for other sectors such as construction, machinery and transport equipment, as well as for the production of metal products. In 2008, iron and steel accounted for 3.6 per cent of total world exports in value.[58] The industry is characterized by the relatively large scale of installations in many firms, as economies of scale are important for the sector's productivity; the world's top 40 producers account for about 56 per cent of global steel production in volume.

128. As in many other sectors, the iron and steel industry was hard hit by the global financial crisis, affected by the decline of consumption of steel by main steel-user industries, such as automotive manufacturing and construction. Exports also declined as the global demand for steel, as observed in the "apparent steel use", plunged by about 7 per cent in 2009. It would appear that credit restrictions also affected the steel industry. Domestic steel prices and employment substantially declined in many countries and regions.

129. Against such background, several governments have adopted various trade measures in the iron and steel sector. These include tariff increases, import licensing requirements, contingency measures (anti-dumping, countervailing, and safeguard measures), technical regulations, and export-facilitating measures. Various fiscal stimulus packages adopted by some government also have significant direct and indirect effects on the steel industry. The short-run impact of these measures is hard to quantify in the absence of a counterfactual, but it is now evident that with the support of these stimulus measures and recovery of other manufacturing sectors in some economies, the global steel market is recovering strongly in the first quarter of 2010. The growing demand in Asia (China in

[55] Data from European Automobile Manufacturers' Association, ACEA (2010).

[56] German Association of the Automotive Industry (VDA), "Domestic passenger car market on the way back to normal", May 4th, 2010, and ACEA (2010) data.

[57] OECD Economic Outlook, No. 86, Chapter 2: The automobile industry in and beyond the crisis, November 2009.

[58] UNSD, Comtrade database (SITC Rev.3).

particular) helped the recovery, while steel consumption in developed countries has not yet reached the pre-crisis level. On the supply side, developing economies continue to add to production capacity.

130. Consequently, global overcapacity remains one of the main issues in the sector. The need for the iron and steel producers to meet environmental requirements, as well as access to raw materials for the production of steel, are also likely to remain a challenge for the sector.

2. Sectoral production and trade

131. Steel is one of the most important basic metals and essential inputs for construction (e.g. bridges, buildings, and railway), transport equipment (automobiles[59], ships, and aeroplanes), machinery, and metal products. Main steel products include sheet, plate, rebar, wire rod, bar, pipe and tube, structures, and rail. The industry is characterized by the relatively large scale of installations in many firms, as economies of scale are important for productivity. The world's top 40 steel producers accounted for about 56 per cent of world production in 2008. In terms of countries and regions, steel production has been shifting away from developed countries towards developing countries, especially China and India. As a result, the share of Asia and Oceania in world production has increased, accounting for 63.7 per cent in 2009 compared with 52.2 per cent in 2005 (Table 8).

Table 8
Crude steel production, 2005-2009
(million metric tonnes)

	2005	2006	2007	2008	2009
World	**1,147**	**1,251**	**1,351**	**1,329**	**1,220**
EU-27	187	198	210	198	139
Other Europe	25	28	31	32	29
CIS	113	120	124	114	97
NAFTA	128	132	133	124	82
Central and South America	45	45	48	47	38
Africa	18	19	19	17	15
Middle East	15	15	16	17	17
Asia and Oceania	598	676	762	771	776

Source: World Steel Association (2009), World Steel in Figures 2009, and various press releases by the World Steel Association.

132. On the demand side, Table 9 shows the global structure of steel consumption, expressed by the "apparent steel use", as published by the World Steel Association. The largest users of steel in 2008 were China, the EU, the United States, Japan, Korea and India.

133. The sector has long been characterized by prominent overcapacity. Production capacity in all regions but ASEAN, Oceania, and Middle East has been, by and large, exceeding their apparent regional use of steel. As a consequence, between 2001 and 2007, global capacity utilization ratio in crude steel averaged about 85 per cent.[60]

[59] According to the European Automobile Manufactures' Association, steel accounts for about 60 to 80 per cent of metal used in an average passenger car, and between 5 to 10 per cent of the cost of an average vehicle.

[60] World Steel Association (2010), Global Steel Capacity Development, Spring 2010 update. Viewed at: http://www.oecd.org/dataoecd/23/4/45143921.pdf [30.05.2010].

Table 9
Apparent steel use (finished steel), 2005-10
(million metric tonnes)

	2005	2006	2007	2008	2009[a]	2010[b]
World	**1,040**	**1,134**	**1,215**	**1,207**	**1,121**	**1,241**
EU-27	166	189	198	181	118	135
Other Europe	25	29	32	25	24	27
CIS	42	49	57	49	36	40
NAFTA	138	156	141	129	81	100
Central and South America	33	36	42	44	34	40
Africa	22	23	25	26	26	29
Middle East	34	35	40	43	41	45
Asia and Oceania	574	610	671	709	762	826
China	340	370	414	443	542	579

a. Estimates.
b. Forecasts.

Source: World Steel Association (2009), World Steel in Figures 2009, and various press releases by the World Steel Association.

134. The iron and steel sector plays a significant role in world trade; iron and steel represented about 3.6 per cent of world merchandise exports in 2008 (Table 10). Iron and steel exports followed a double digit nominal growth between 2005 and 2008, although the speed of growth slowed down in 2008. Reflecting this fast growth, the share of steel in world merchandise exports has continued to increase since 2005.

Table 10
World exports in the iron and steel industry, 2004-08

	2004	2005	2006	2007	2008
Steel exports value (US$ billion)	278	325	376	476	570
Percentage change from previous year		16.91	15.76	26.64	19.85
Percentage of world merchandise exports	3.06	3.14	3.14	3.45	3.58

Source: UN COMTRADE database.

3. Impact of the global crisis on production and trade

135. The global financial crisis hit hard the iron and steel industry. Steel consumption was down by 1.4 per cent in 2008, followed by a 7.1 per cent decline in 2009, mainly due to weak aggregate demand and increased uncertainty about the future economic perspectives in many countries and economies; consumption was also negatively affected by weak demand for automobiles and construction, the main user industries of steel.[61] Credit restrictions also affected the steel industry's performance. In the fourth quarter of 2008, global production of steel decreased by 20 per cent year-on-year.

136. Nonetheless, strong recovery in production began in 2009 in Asia, particularly in China. OECD projects that steelmaking capacity in the world will increase to 1,986 million tonnes by 2012, compared with 1,806 million tonnes in 2009.[62] On the demand side, apparent use of finished steel is estimated to have recovered by 10.7 per cent in 2009. In 2010, steel consumption is projected to grow

[61] The ILO estimates that declining car production may reduce global steel demand by a further 1 per cent in 2009. ILO document GB.304/stm/2/2, March 2009. Viewed at: http://www.ilo.org/wcmsp5/groups/public/---ed_norm/---relconf/documents/meetingdocument/wcms_103437. pdf. [28.05.2010]

[62] Statement from Risaburo Nezu, Chairman of the OECD Steel Committee. OECD online information. Viewed at: http://www.oecd.org/dataoecd/10/5/44258485.pdf [28.05.2010].

the most in Asia and Oceania, including China, in absolute terms (by 57 mmt), while the growth rate is fastest in NAFTA (17.1 per cent) and in Other Europe (12.4 per cent), though from relatively weak levels.

137. Despite the crisis, production capacity for steel has continued to grow over the past few years. As a consequence, the global capacity utilization ratio decreased to less than 60 per cent at the end of 2008[63]; it would appear that the ratio has recovered to around 80 per cent.

138. After an extended period of robust growth, the volume of steel trade declined in the final quarter of 2008 and into the first three quarters of 2009; global steel exports began to recover in 2009, although trade volumes of the 10 largest exporters have not yet recovered the level of the previous peak in 2007. According to estimates by the OECD, cross-border shipments of steel by major steel exporters[64] declined to 50 mmt in the fourth quarter of 2008, down 30 per cent quarter-on-quarter, and 18 per cent year-on-year. In the first quarter of 2009, exports contracted further by 16 per cent quarter-on-quarter, to 42.4 mmt. Nonetheless, export volumes appear to have recovered in the second quarter of the year, reaching 46 mmt. In terms of volume of steel trade, EU27, Russia, Ukraine and China were the top five exporters of steel (in terms of volume) in 2009, and China, EU27, Korea, the United States and Turkey represent the five largest destination markets of steel exports.[65]

4. Government specific actions to support the sector and their potential impact

139. Like some other industries, the steel industry was hard hit by the global financial crisis and the global recession that followed. Against the background of declining demand for steel, several countries adopted various trade measures since the outbreak of the crisis. These concerned increases in tariffs, adoption of import licensing requirements and technical regulations, and "buy local products" provisions; however, among the most prominent measures used were trade remedies, as in the past before the financial crisis.

140. Since the fourth quarter of 2008, more than 10 economies have adopted trade remedy measures (including the initiation of investigations), most of which involve anti-dumping measures. The frequent use of contingency measures is not a new phenomenon. Over the last two decades, the use of trade remedies in the sector has significantly expanded, with non-OECD members becoming increasingly frequent users.[66]

141. Other than trade remedies, a few countries increased MFN import tariffs; some adopted import licensing requirements, pre-shipment inspection requirements, and/or technical regulations. On public procurement, some governments introduced requirements to purchase from domestic

[63] OECD Steel Committee says market recovering faster than expected. OECD website. Viewed at: http://www.oecd.org/document/32/0,3343,en_2649_34487_45157280_1_1_1_1,00.html [28.05.2010]

[64] These estimates are based on monthly data for the ten largest exporters (Brazil, China, Chinese Taipei, Japan, the EU27, Russia, the Republic of Korea, Turkey, Ukraine, and the United States). These economies accounted for 86 per cent of total steel exports in 2007. The figures exclude intra-EU trade. OECD document DSTI/SU/SC(2009)40, 20 November 2009.

[65] Data on volume of trade are based on data of: ISSB Ltd., Japan Iron and Steel Federation (JISF), The European Confederation of Iron and Steel Industries (EUROFER), and Instituto Aço Brasil.Trade. Data on the value of exports and imports by UNSD Comtrade were not yet available for 2009.

[66] In the 1980s, trade remedy cases were normally initiated by a few developed economies. In the 1990s, developing economies became frequent users. Since 1990, non-OECD economies initiated one out of every two anti-dumping/CVD actions involving steel, and contributed significantly to the sharp rise in anti-dumping cases in the late 1990s. More recently, the total number of AD/CVD initiations has risen (OECD, "Investigating the Effects of Trade Remedy Actions on Steel Trade Flows", 2009).

producers. Table 11 lists the trade and trade-related measures taken in the iron and steel sector during the period November 2009 to mid-May 2010.

Table 11
List of trade-related measures on iron and steel
(November 2009 – mid-May 2010)

Country/ Member State	Measure
Argentina	Initiation on 3 November 2009 of anti-dumping investigation on imports of certain oil country tubular goods from China.
Argentina	New customs regulation "aduanas especializadas en el despacho de determinadas mercaderías de importación para consumo" amending the list of entry points (selected seaports and airports) for certain products, such as articles of iron or steel; articles of base metal.
Argentina	Initiation on 3 March 2010 of anti-dumping investigation on imports of steel straight slaw blades, for working metals from China.
Argentina	Temporary export ban on ferrous waste and scrap, remelting scrap ingots of iron or steel until 9 July 2010.
Australia	Termination on 17 February 2010 (following a continuation inquiry) of anti-dumping duties on imports of hot dipped galvanised steel pipe from Thailand (imposed on 18 February 2000).
China	Annual adjustment of the catalogue of items subject to automatic import licensing, which includes certain steel products.
China	Elimination of export duties on 17 tariff lines including products such as ferro-alloys, as from 1 January 2010.
EU	Renewal of the prior surveillance system on steel imports (first established in 2002) until 31 December 2012. Product coverage has been updated and now also includes flat stainless steel products and large welded tubes.
EU	Termination (repealed after interim review no-dumping) on 30 December 2009 of anti-dumping duties on imports of ferro-silicon from the Former Yugoslav Republic of Macedonia (imposed on 28 February 2008).
EU	Initiation on 1 April 2010 of anti-dumping and countervailing investigations on imports of stainless steel bars and rods from India.
EU	Termination on 11 May 2010 of anti-dumping investigation on imports of steel ropes and cables from Korea (initiated on 11 August 2009) (possible circumvention of anti-dumping measures imposed in 2005).
India	Termination (without measure) on 8 December 2009 of safeguard investigation on imports of hot-rolled coils, sheet, strips (initiated on 9 April 2009).
India	Initiation on 12 January 2010 of anti-dumping investigation on imports of seamless tubes, pipes & hollow profiles of iron, alloy or non-alloy steel (other than cast iron) from China.
India	Initiation on 12 April 2010 of anti-dumping investigation on imports of hot rolled flat products of stainless steel from the EU; Korea; South Africa; Chinese, Taipei; and the United States.
India	Withdrawal of hot rolled coils, including seamless tubes/pipes, parts and accessories of motor vehicles from the import restricted list.
Indonesia	Initiation on 19 January 2010 of safeguard investigation on imports of wire of iron/non-alloy steel, not plated/coated, containing carbon less than 0.25% by weight.
Indonesia	Initiation on 19 January 2010 of safeguard investigation on imports of wire of iron/non-alloy steel, plated with zinc.
Indonesia	Initiation on 5 February 2010 of safeguard investigation on imports of stranded wire, ropes and cables for locked coil, flattened strands and non-rotating wire ropes.
Indonesia	Initiation on 30 April 2010 of safeguard investigation on imports of stranded wire, ropes and cables, excluding locked coil, flattened strands and non-rotating wire ropes.
Korea, Rep. of	Initiation on 6 May 2010 of anti-dumping investigation on imports of stainless steel plate from Japan.
Peru	Termination (automatic expiry after five-year imposition period) on 6 December 2009 of duties on imports of stainless steel articles: pots, frying pans and saucepans from China, India, and Chinese Taipei (imposed on 4 December 2004).
Russian Federation	Safeguard measure imposed (28.1% for three years) on certain types of corrosion-resistant pipes.

Table 11 (cont'd)

Country/ Member State	Measure
Russian Federation	Temporary increase of import tariffs (up to 15%) on certain types of flat metals, and certain types of ferrous metal pipes (up to 15-20%).
Saudi Arabia	Re-imposition of import tariffs (5%) for imports of steel, as from January 2010. Imports from Gulf Cooperation Council members exempted.
South Africa	Termination (without measure) on 6 November 2009 of countervailing investigation on imports of stainless steel sinks from Malaysia (initiated on 25 July 2008).
Ukraine	Initiation on 17 February 2010 of safeguard investigation on imports of ferro-manganese.
Ukraine	Licensing requirements for exports of certain products such as iron and steel.
United States	Initiation on 21 January 2010 of anti-dumping and countervailing investigations on imports of steel drill pipe, and steel drill collars from China.
United States	Termination (without measure) on 16 November 2009 of anti-dumping investigation on imports of certain standard steel fasteners from China and Chinese Taipei (initiated on 22 October 2009).
United States	Termination (without measure) on 16 November 2009 of countervailing investigation on imports of certain standard steel fasteners from China (initiated on 22 October 2009).

Source: WTO Secretariat.

142. Apart from any direct support measures targeting steel, such as subsidies and bailouts, fiscal stimulus packages can indirectly support steel sectors by increasing demand for steel-consuming sectors, such as construction and automobiles. Horizontal measures, such as support for the labour market and R&D activities, can also indirectly support steel manufacturing.

143. Like in the automobile industry, the effects of these measures are hard to assess, because the counterfactual (what would have happened in their absence) cannot be observed.[67] In the case of steel, the recovery in national economies supported by fiscal stimulus measures and in steel-user industries, such as automobiles, which have been supported by sector-specific assistance measures, apparently had positive effects on the recent performance.

D. TEXTILES AND CLOTHING

1. Introduction

144. The textiles and clothing industry plays a significant role in international trade, representing on average 4.7 per cent of total world exports. The sector is very important for developing economies, accounting for almost 30 per cent of their total merchandise exports, and is also of significance to some OECD countries.

145. Since the end of the Multi-Fiber Agreement in 2005, substantial structural changes have been taking place in the textiles and clothing industry. The complete integration of the sector into the multilateral trading system after 40 years of import quotas had an impact on the world shares of exports across countries, with larger countries gaining greater market shares. In addition, the sector has been continuously moving towards full scale competition. In fact, the capital-intensive textiles segment and the labor intensive clothing industry are increasingly integrated through vertical supply chains which involve not only production but also distribution and sales activities.

146. The 2008 global crisis led to a marked decline in demand from developed countries which represent a significant share in world imports of textiles and clothing products. The economic slowdown following the crisis also affected this sector which experienced negative growth of -

[67] On the other hand, it could be argued that the introduction of these measures may be related to the existence of substantial overcapacity.

14 per cent in 2009. The large decrease in trade also had an impact on employment with a loss in jobs of approximately 20 per cent in developing countries. During the crisis the structural changes in the industry intensified. The consolidation of supply chains continued and made it more difficult for small firms to survive the crisis. Countries that increased their share of world exports after the abolition of import quotas were less hit by the crisis.

147. The trade restricting measures implemented in the textiles and clothing sector have been limited. Other measures such as trade finance and specific support to enterprises have also been used by some governments. To evaluate the economic impact of these specific measures, factors such as the magnitude of the measures, the relative importance in the economy of the targeted products, and the size of the country adopting them should be considered.

2. Sectoral production and trade structure

148. The textile and clothing industry is a large sector composed by a diversified range of activities requiring a different input-mix of labor and capital and hence located in different countries according to their relative resource endowments. The entire supply chain can be subdivided in four main production segments (the production of fibers; the treatment of raw materials; the transformation of fabrics into products such as clothes or apparel; and activities such as importing, distribution and retail).

149. It is not easy to separate the textile and clothing industries as, in most cases, the production processes are integrated and are sometimes situated in a single plant. One of the major differences, however, is that the clothing sector is generally more labour intensive than the textiles sector.[68] The textiles industry is usually more capital intensive. It is highly automated and is mainly located in capital abundant developed economies. Generally, the textiles industry is less flexible in adjusting to consumer tastes than the clothing industry because the lead time needed and the capital intensity of the industry result in relatively large minimum orders.

150. The importance of the textiles and clothing sector in employment is significant in countries such as China, Hong Kong (China), India and Turkey, where employment in the sector represents more than 20 per cent of total manufacturing employment. In these countries, the value added generated by the textiles and clothing industry represents around 10 per cent of the total value added of manufacturing products. From the top OECD exporters, Italy and Belgium have a significant number of employees working in the textiles and clothing industry (Table 12).

151. China is the leading producer of textiles and clothing (Table 13). Other countries representing more than 5 per cent of world value added are the United States, Italy and Japan. In the past decade the growth rate of the textile and clothing industry value added has been decreasing for industrialized countries while it has been increasing for developing countries. This pattern has continued throughout the financial crisis. UNIDO statistics show that while the growth rate of textiles and clothing between 2005 and 2008 was -5.4 per cent and -2.4 per cent respectively for developed countries[69] it was 8.5 per cent and 9.5 per cent for developing ones.

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[68] However, as Nordas (2005) points out, the clothing segment is becoming less labour intensive. Activities such as cutting are now often a computer-assisted process. In addition, specialised machines are used for different types of sewing.

[69] Industrialized countries excluding CIS.

Table 12
Textiles and Clothing employment and value added shares, 2005

Country	Manufacturing employment (Thousand)	Textiles and clothing employment (Thousand)	Share	Manufacturing value added (US$ million)	Textiles and clothing value added (US$ million)	Share
China	59,400.0	12,000.0	0.20	698,000	68,000	0.10
Hong Kong, China	164.0	43.1	0.26	6,080	640	0.11
Italy	3,836.6	407.2	0.11	260,000	20,000	0.08
Germany	7,004.2	152.2	0.02	534,000	8,500	0.02
Turkey[a]	1,092.0	372.5	0.34	....	....	....
India[b]	8,180.5	1,700.0	0.21	66,700	5,400	0.08
France	3,662.0	153.5	0.04	266,000	7,900	0.03
Belgium	578.0	30.3	0.07	59,900	2,200	0.04
United States	13,200.0	575.4	0.04	2,200,000	49,000	0.02
Netherlands	725.3	15.7	0.02	71,700	1,100	0.02

a. Data from 2001.
b. Data from 2004.

... Not available.

Source: UNIDO Industrial Statistics.

Table 13
Country share of world value added in textiles and apparel, 2007

Textiles		Apparel	
Country	**Share**	**Country**	**Share**
China	36.7	China	28.7
United States	7.5	Japan	9.2
Italy	6.1	United States	7.9
India	4.2	Italy	7.4
Japan	4.0	Thailand	5.3
Pakistan	2.3	Indonesia	2.5
Germany	2.2	United Kingdom	2.1
Korea, Rep. of	2.2	Brazil	2.0
Brazil	2.1	Bangladesh	1.7
Turkey	2.1	Viet Nam	1.7
United Kingdom	2.1	Mexico	1.6
Mexico	2.0	Turkey	1.6
Bangladesh	1.9	Korea, Rep. of	1.4
Thailand	1.9	Egypt	1.3
France	1.5	Argentina	1.2
Total	**78.8**	**Total**	**75.6**

Source: UNIDO Industrial Statistics.

152. The textiles and clothing industry plays a significant role in world trade, accounting on average for 4.7 per cent of total world exports (Table 14).[70] However, its share in total exports shows a decreasing pattern over time. Also, the growth rates of textiles and clothing exports have decreased. In this case, however, the pattern has not been linear but there has been a decrease of export growth rates in 2005 and 2006 with a slight recovery in 2007. Exports fell by more than 14 per cent in 2009.

[70] The world is composed by a set of 78 countries which represent more than 95 per cent of global exports. Due to the lack of data, economies such as Bangladesh, Pakistan, Macao (China), and Madagascar, for which textiles and clothing is a very significant sector for their economies, are not included in world exports. Their share of global exports is less than 4 per cent.

Table 14
World exports of textiles and clothing, 2003-09

	2003	2004	2005	2006	2007	2008	2009
Textiles and clothing export values (US$ billion)	387.56	433.96	463.43	506.45	560.26	585.24	498.57
Percentage of world exports	5.56	5.14	4.88	4.64	4.44	4.09	4.46
Percentage change from previous year		11.97	6.79	9.28	10.63	4.46	-14.81

Source: Global Trade Atlas.

153. The textiles and clothing industry plays a relatively more important role for the development and trade integration of certain economies such as Bangladesh, Macao (China), and Pakistan, where this sector accounts for more than 60 per cent of their total merchandise exports (Table 15). Also in countries such as the Mauritius, Sri Lanka, El Salvador and Madagascar, textile and clothing exports represent between 40 per cent and 50 per cent of total merchandise exports and therefore are very significant for the economy.

Table 15
Textiles and clothing exports as a shore of total merchandise exports (top 20 countries), 2007

Country	Share	Country	Share
Bangladesh	79.45[a]	Jordan	22.30
Macao	66.57[a]	Turkey	21.28
Pakistan	63.31[a]	China	14.06
Mauritius	47.08	Bulgaria	13.31
Sri Lanka	45.10	Romania	13.30
El Salvador	43.73	India	13.15
Madagascar	40.84[a]	Hong Kong, China	12.07
Albania	28.95[a]	Portugal	11.01
Morocco	26.84	Greece	9.89
Guatemala	23.08	Indonesia	8.50

a. Data from U.N. Comtrade statistics.

Source: Global Trade Atlas.

154. Data from the Global Trade Atlas show that the countries for which textiles and clothing exports represent a very high share of their total merchandise exports are not necessarily the countries that have a very significant share of world exports in this industry. For example, China represents more than 25 per cent, on average, of total world exports in the textiles and clothing industry, whereas this sector only represents 14 per cent of Chinese merchandise exports. Other Asian economies such as Hong Kong (China), India, and Indonesia, represent 8.1 per cent, 3.5 per cent, and 1.8 per cent respectively of world exports. Some EU economies are also important exporters with countries such as Italy, Germany, France and Belgium, the Netherlands, Spain, Portugal and Romania accounting as a group for almost 30 per cent of total world exports.

155. The European Union and the United States represent the largest destination markets for textiles and clothing products, accounting on average for around 38 and 20 per cent of world imports, respectively. Other important markets are Hong Kong (China) and China, representing respectively 6.5 per cent and 3.7 per cent of world imports.

156. The textiles and clothing industry has been in continuous transition over the past decade. With the end of the Multi Fiber Arrangement (MFA) some changes in the main patterns of world production and exports have occurred. With respect to production, there is evidence[71] that in

[71] Kowalski, P & Molnar, M, 2009. "Economic Impacts of the Phase-out in 2005 of Quantitative Restrictions under the Agreement of textiles and Clothing," OECD Trade Policy Working Paper N. 90. OECD.

anticipation of the phase-out of the MFA quotas, exporters in low-cost and high productivity developing countries started consolidating their production of standardized labour-intensive textiles and clothing products. In addition, producers also upgraded their capital stocks. In contrast, some producers in high-cost developed countries have moved from high scale production towards a market structure characterized by specialized firms which compete on quality and design.

157. In addition, some sectoral studies suggest that in the last 5 years, retailers have been adjusting to the increase in "fast fashion" production and to the improvement in inventory control techniques by shifting away from small traditional firms to fewer strategic-suppliers that can source materials, coordinate logistics and operate in locations where delivery cycles are shorter. Retailers have been consolidating towards larger suppliers and fewer countries. [72]

158. Some production patterns can be found in the trade data. Most of the top exporters are also top importers in this sector. This might reflect the fact that a significant percentage of trade is in intermediary goods, confirming the increasing integration of the sector trough vertical supply chains and the increasing importance of global suppliers in this industry.[73]

159. With respect to trade, after the abolition of quotas in 2005, exports of countries such as China have increased by as much as 21 per cent, the largest increase amongst all suppliers. Also, exports from India, Indonesia Turkey and Thailand increased by 19 per cent, 12 per cent, 7 per cent and 5 per cent respectively in 2005. While in the first two countries the growth rate of exports decelerated in the following two years, reaching rates of around 5 per cent, in the last two the growth rates of exports reached 17 per cent and 7 per cent respectively in 2007. Finally, Hong Kong (China), Belgium, the Netherlands, Germany, United States, Spain and France showed an increase in their exports of less than 5 per cent in 2005. With the exception of the United States, this set of economies experienced a higher increase in their exports, between 10 per cent and 15 per cent, during the following two years. In contrast, the end of the MFA had a negative impact on suppliers such as Mexico, the United Kingdom, Japan, Chinese Taipei, Portugal and South Korea, which experienced a contraction of exports in 2005. With the exception of Mexico and Chinese Taipei in this last set of economies, the negative trend of exports was reversed and became positive in the following two years.

3. Impact of the global crisis on production and trade

160. The collapse in world demand as a result of the global financial crisis was reflected in a decrease of total retail sales.[74] In addition, the structural changes in the supply chain of the garment industry were still taking place during the economic downturn. In fact, the drop in retail sales was mainly driven by a reduction in sales of mainstream specialists and department stores, which were outperformed by big discounters and fast fashion retailers that in some cases were experiencing rising

[72] See Nordas (2005), Kowalsky and Molnar (2009) above; and Ahmad, M & Diaz, D, 2008, "A Reality Check of Three Years of Post-Quota Trade in Textiles And why so many predictions of doom proved unfounded," International Textiles and Clothing Bureau, and Forstater, M., 2009, "Implications of the Global Financial and Economic Crisis on the Textile and Clothing Sector", ILO Sectoral Coverage of the Global Economic Crisis.

[73] The high level of aggregation of trade data might however mask the fact that countries are specializing and trading differentiated final products. For instance it might be the case that while China is specializing in standardized products such as T-shirts, Italy is exporting top-brand clothes.

[74] In the United States garment sales decreased 2.1 per cent with respect to the previous year. The European Union does not report clothing retail sales but in general, total retail sales decreased 1,9 per cent during 2008.

sales volumes.[75] US imports of clothing started to decrease in 2009; this decrease was lagged with respect to retail sales, which experienced negative growth rates from September 2008, with respect to the previous year. In general the drop in retail sales of clothing was not large enough to explain the significant drop in imports. In addition, towards the last quarter of 2009 retail sales were already experiencing positive growth while import recovery was slower. One of the reasons why the main driver of falling US imports was not a drop in retail sales is that during the crisis, clothing retailers were decreasing their inventories. This fact is confirmed by a decreasing pattern of the ratio between inventories and sales since the end of the 2008.

161. The overall impact of the global crisis on exports of textiles and clothing was very negative during 2009, when the total value of exports decreased from US$585,2 billion in 2008 to US$498,6 billion in 2009, a decline of -14,8 per cent. During the crisis the share of textiles and clothing products in total exports was slightly below its average, implying that the demand of textiles and clothing was not substituted by the demand of other products.

162. Year-on-year export growth from the top 5 OECD exporters went below zero between September and November 2008 compared with the same months in 2007 (Chart 16). Italy experienced the lowest export growth during the crisis, and Italian exports declined by 34 per cent in April 2009. It is possible to observe a slight recovery of exports across all nations starting in May 2009. Germany and France experienced positive export growth from October 2009 and in general all countries experienced a positive growth of exports by the end of the 2009, compared with the previous year.

163. The pattern of year-on-year exports for the top 5 Asian exporters is less clear (Chart 17). While Hong Kong (China), India, Indonesia and Chinese Taipei started experiencing a decline in exports from September 2008, China sustained a positive growth until January 2009. With the exception of February 2009, where there was a negative peak for Chinese and Indian exports, the growth rate of exports were still negative but in general higher in this set of countries with respect to the OECD countries. In addition, all countries started to experience positive growth rates at the end of 2009.

164. The post-MFA picture of winners and losers has also continued throughout the crisis (Chart 18). During 2009, China, Japan, Spain, the Netherlands, Germany, Korea, Thailand and to a lesser extent India, increased their share of world exports. Mexico, the United States, Chinese Taipei, Hong Kong (China), Japan and Romania experienced a decrease in their export shares. Finally, some countries in the Latin American and Caribbean region such as Bolivia, Costa Rica, Colombia, Ecuador, Nicaragua, Paraguay, Chile and Venezuela lost more than 20 per cent of their market share with respect to 2008.

165. The global recession has had a very negative impact on employment in the textiles and clothing industry. However, it is very difficult to accurately assess the levels of unemployment and job losses in the textiles and clothing industry since this sector includes a large number of formal enterprises but there is also a significant amount of smaller and unregistered factories. In addition, short-term contracts are widely used in this sector. In developing countries around 8000 textiles and apparel production units have been shut down since June 2008. This has implied more than 20 per cent of jobs losses.[76] In particular, China experienced a 33 per cent of job losses in the sector. Also other main exporters such as India, Pakistan, Indonesia and Mexico experienced job losses of between 3 per cent and 10 per cent.

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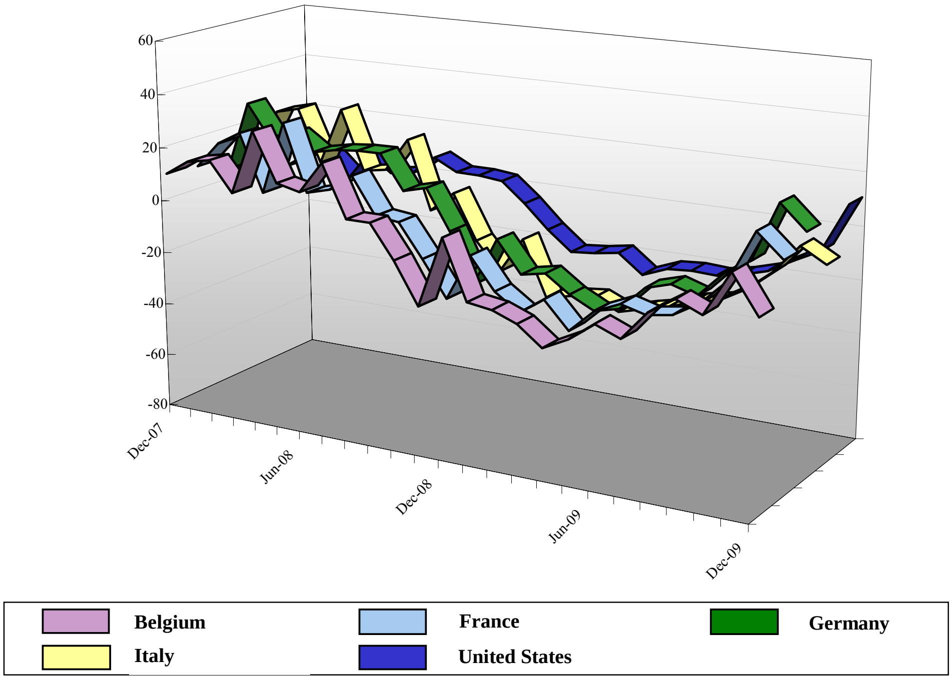
[75] Studies such as Forstater (2009) show that US-retailer Wal-Mart experienced a raise in sales of 1.6 per cent during 2008. In addition, non US-retailers such as Inditex (Zara), H&M and outlets of Li&Fung had a raise in sales of respectively 10 per cent, 11 per cent and 14.5 per cent.

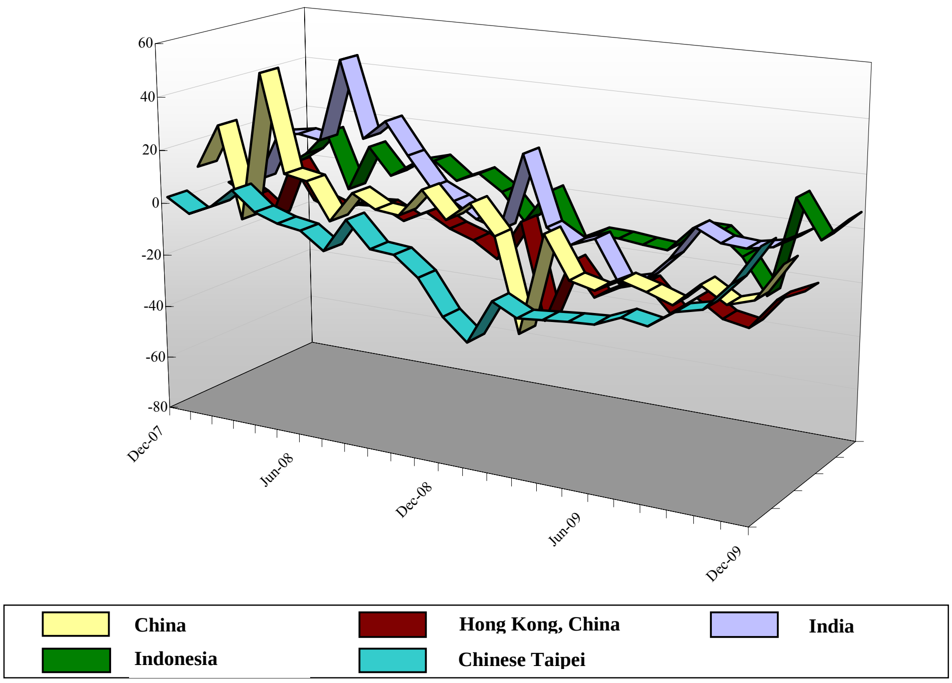
[76] Data from the International Textile, Garment and Leather Workers' Federation (ITGLWF) survey on its national affiliates.

Chart 16
Leading OECD textiles and clothing exporters, December 2007 - December 2009
(Year-on-year growth of exports)



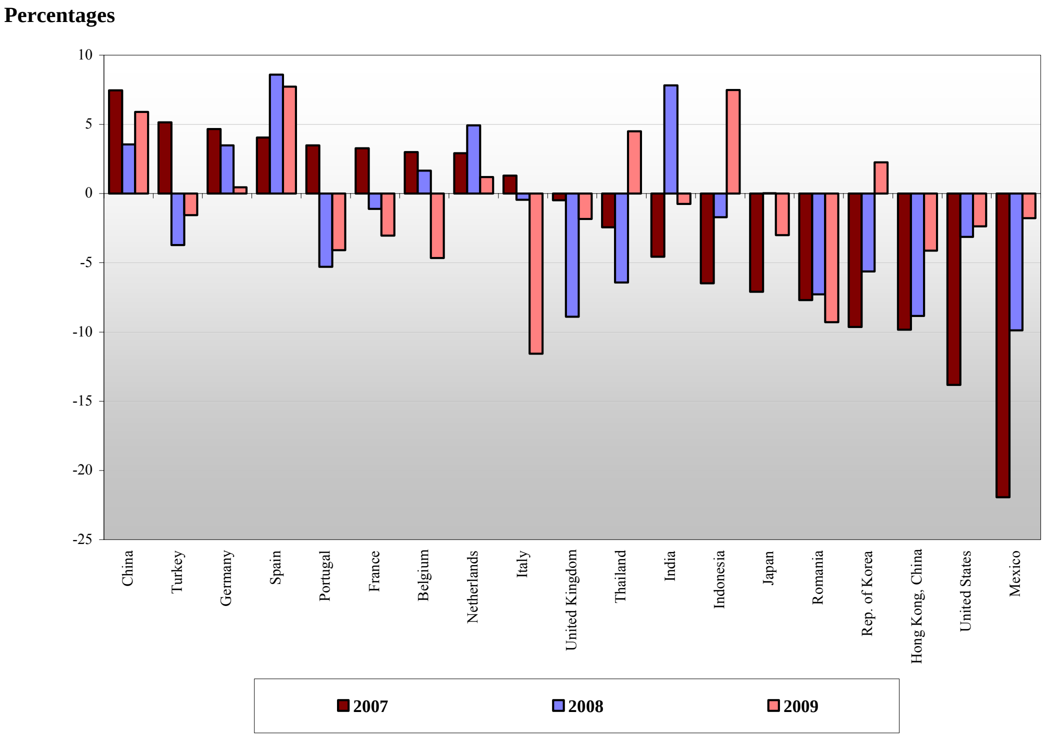
Source: Global Trade Atlas.

Chart 17
Leading non-OECD textiles and clothing exporters, December 2007 - December 2009
(Year-on-year growth of exports)



Source: Global Trade Atlas.

Chart 18
Export shares of main textiles and clothing exporters, 2007 - 2009



Source: Global Trade Atlas.

4. Responses to the crisis and their economic impact

166. Some countries have used various trade measures to tackle the economic slowdown in the sector. The most common practice was the initiation of anti-dumping investigations. Interestingly, the increase in MFN tariffs in the textile and clothing sector has been rare across countries. With the exception of very few cases, the trend in applied MFN rates for the textiles and clothing industry continues to be downwards, a trend that has not been reversed by the crisis.[77] Other non tariff barriers such as the introduction of references prices, import licensing requirements and import duty surcharges have been adopted (Table 16).

Table 16
List of trade-related measures on textiles and clothing
(November 2009 – mid-May 2010)

Country/ Member State	Measure
Argentina	Introduction of non automatic import licensing requirements, covering products such as textile fabrics, articles of apparel and clothing accessories.
Argentina	New customs regulation "aduanas especializadas en el despacho de determinadas mercaderías de importación para consumo" amending the list of entry points (selected seaports and airports) for certain products such as textiles and apparel.
Argentina	Initiation on 11 February 2010 of anti-dumping investigation on imports of polypropylene filament yarn.
Argentina	Initiation on 13 February 2010 of anti-dumping investigation on imports of men's or boy's suits, blazers and jackets from China.

Table 16 (cont'd)

[77] Table 4 in WTO document WT/TPR/OV/12, part A of 18 November 2009.

Country/ Member State	Measure
Argentina	Update of the list of "criterion values" (valores criterio de carácter precautorio) for imports of a number of products such as other knitted or crocheted fabrics of synthetic fibres dyed or printed from certain specified origins.
Argentina, Brazil, Paraguay and Uruguay (Mercosur)	Temporary increase of the Mercosur Common Tariff (to 18% and 26%) for 157 textiles and textile articles tariff lines. Paraguay and Uruguay given a waiver on this measure.
Australia	Gradual reduction of applied tariffs on textiles, clothing, and footwear products until 2015 (for items with a rate of 17.5% down to 10%; and for items with rates of 10% or 7.5% to 5%).
Brazil	Initiation on 4 November 2009 of anti-dumping investigation on imports of knitted or crocheted viscose fabrics from China.
Dominican Republic	Initiation on 17 December 2009 of safeguard investigation on imports of polypropylene bags and tubular fabric.
Dominican Republic	Initiation on 2 March 2010 of safeguard investigation on imports of certain socks and other hosiery.
Ecuador	Introduction of a compound tariff for imports of textile products (US$5.5/kg plus 10%).
EU	Termination on 18 March 2010 of anti-dumping duties on imports of polyester staple fibres from China, Korea, and Saudi Arabia (imposed on 10 March 2005).
India	Imposition of new measures for cotton yarn sector such as (i) suspension of the DEPB (7.67%) benefit available for cotton yarn exports; (ii) suspension of duty drawback scheme for cotton yarn exports (as from 29 April 2010); and (iii) mechanism to register cotton yarn exporters.
India	Re-imposition of a duty on exports of raw cotton and yarn. Prior to 9 April 2010, raw cotton exports were fully exempted. After this date, this exemption was withdrawn.
Indonesia	New Decree on textiles and textile products removing overlapping tariff lines and stipulating certain import conditions (prevent misuse and/or manipulation in bonded zone), as from 26 January 2010.
Mexico	Gradual tariff reduction on 97% of manufactured goods. This reduction will take place in 5 annual phases. By 2013 the average applied tariff should be 4.3%; 63% of tariff lines should be duty-free. Average tariff on manufactured goods fell from 10.6% in 2008 to 8.3% in 2009, and to 5.2% as of 1 January 2010.
Mexico	Initiation on 21 April 2010 of anti-dumping investigation on imports of woven fabrics of cotton "denim" from China.
Pakistan	Exemption of import tariffs on cotton yarn (other than sewing thread), containing 85% or more by weight of cotton, not put up for retail sale, and cotton yarn (other than sewing thread), containing less than 85% by weight of cotton, not put up for retail sale.
Pakistan	Temporary export restrictions (quota of 35 million kg) of all types of yarn, for the period 1 March 2010 to 30 June 2010. Withdrawn on 12 May 2010.
Pakistan	As from 25 November 2009, exports of cotton yarn have been monitored through a system of registration to be notified to the Trade Development Authority.
Pakistan	Additional levy "regulatory duty (15%)", imposed on a temporary basis, on exports of all types of yarn.
Peru	Initiation on 8 November 2009 of anti-dumping investigation on imports of woven fabrics of polyester fibres, mixed mainly or solely with viscose rayon staple fibres from India.
Russian Federation	Reduction of import tariffs on articles of apparel, clothing accessories and other articles of furskin (from 20% to 10%).
South Africa	Termination on 27 November 2009 of anti-dumping duties on imports of acrylic fabrics from Turkey (imposed in November 2004).
Turkey	Termination (no application for sunset review) on 20 November 2009 of anti-dumping duties on imports of polyester synthetic staple fibres from Belarus (imposed on 20 November 2004).

Source: WTO Secretariat.

167. Governments have also adopted other measures which can be grouped in four main areas: (i) credit and trade finance measures to encourage financial institutions to strengthen credit loans to the textiles and clothing industry have been developed by some countries; (ii) profit tax cuts and

subsidies; (iii) cost-cutting decisions such as temporal layoffs and wages freeze; and (iv) specific support to SMEs has been given by some.

168. The economic impact of trade measures on the textiles and clothing sector will depend on factors such as the relative importance in the economy of the targeted products, the magnitude of the actual measures and the size of the country adopting them. When the importing country is large in an international market, it means that its imports are a significant share in the world market for the product. In this case, any trade measure it implements will affect world demand sufficiently to change the world price of the product. In contrast, if the country is small then it will take international prices as given because their share of world demand will not be large enough to affect international prices.

169. Non tariff barriers such as anti-dumping measures, reference prices, import duties surcharges and licensing, have a very similar effect to an import tariff.[78] Such measures will increase the price of the imported goods for domestic users or consumers.[79] This increase will have a positive impact on domestic producers. The price increase in the domestic market will not only raise the producer surplus in the industry but also will induce an increase in the output of existing domestic firms, an increase in employment, and an increase in total profits.

170. The first-order effect of both tariff and non tariff barriers is a decrease of imports of the specific product that has been targeted by the policy. During a global crisis, an import reduction of the product subject to a trade measure can arise not only from a decrease in domestic demand of imports but also from a decrease in the scale of operations in the exporting country. In fact, the economic literature shows[80] that during periods of reduced demand, dumping might come from the desire of foreign firms to maintain production capacity and under such circumstances the anti-dumping activity will make foreign firms scale-back their capacity and will indirectly reduce imports. In addition, the magnitude of the decrease in imports of the targeted product will depend on its degree of substitutability.

171. Tariffs and non tariff barriers could also cause trade diversion as a secondary effect. However, unlike import tariffs that are generally applied to all countries, other policies such as anti dumping measures are usually imposed on specific countries. Therefore, while in the first case, trade will be diverted towards substitute products, in the second case trade can also be diverted towards other nations producing the same product.

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[78] The big difference between quantity measures such as licensing and a tariff is that in the first case the government does not receive any revenue from the imposition of the license and hence the welfare impact of quotas will depend on who receives these quota rents.

[79] While anti-dumping measures, reference prices, import duties surcharges have a direct effect on the prices of the imported product, measures such as import licensing have an indirect effect on domestic prices by restricting the quantity imported of a certain product.

[80] Viner, J. 1923, "Dumping: a Problem in International Trade," Chicago: University of Chicago Press; and Staiger, Robert & Wolak, Frank A, 1994, "Measuring Industry Specific Protection: Antidumping in the United States," NBER Working Papers 4696, National Bureau of Economic Research, Inc.

ANNEX 1

G20 - Trade and trade-related measures[1]
(November 2009 – mid-May 2010)

VERIFIED INFORMATION

Country/ Member State	**Measure**	**Source/Date**	**Status**
Argentina	Initiation on 2 November 2009 of anti-dumping investigation on imports of electrical ignition or starting equipment of a kind used for spark-ignition or compression-ignition internal combustion engines (for example, ignition magnetos, magneto-dynamos, ignition coils, sparking plugs and glow plugs, starter motors), generators (NCM 8511.30.20; 8511.80.30; 8511.80.90; 9032.89.11) from China.	Resolución SICPME No. 20/2009 (29 October 2009).	
Argentina	Initiation on 3 November 2009 of anti-dumping investigation on imports of certain oil country tubular goods (NCM 7304.29; 7306.29) from China.	Resolución SICPME No. 29/2009 (2 November 2009).	
Argentina	Introduction of non automatic import licensing requirements, covering products such as textile fabrics, autoparts, electrical machinery and equipments, vehicles, parts and accessories of motor vehicles, articles of apparel and clothing accessories, chemicals, and paper (NCM Chapters 28; 48; 51; 52; 54; 55; 59; 60; 61; 62; 63; 65; 68; 73; 82; 84; 85; 87; 94; 96).	WTO Documents G/LIC/N/2/ARG/22 of 3 November 2009 and G/LIC/N/2/ARG/23 of 27 November 2009.	
Argentina	Introduction of "criterion values" (valores criterio de carácter preventivo) for imports of a number of products such as fungicides (NCM 3808.92); electro-mechanical domestic appliances (NCM 8509.40); electrical ignition or starting equipment (NCM 8511.80); optical media (CDs) (NCM 8523.40); and automatic regulating or controlling instruments and apparatus (NCM 9032.89) from certain specified origins.	Resoluciones Generales AFIP Nos. 2699/2009, 2700/2009 and 2701/2009 (4 November 2009).	
Argentina	Increase of the value-added tax (from 10.5% to 21%) for information technology products (NCM 8415; 8418; 8516; 8517; 8518; 8519; 8521; 8527; 8528), as well as of the product coverage for the application of the excise tax (17%). Products manufactured or assembled in the Tierra del Fuego free zone are exempted.	Ley 26.539 (20 November 2009).	
Argentina	Initiation on 2 December 2009 of anti-dumping investigation on imports of table, floor, wall, window, ceiling or roof fans, with a self-contained electric motor (NCM 8414.51; 8414.59) from China.	Resolución SICPME No. 70/2009 (24 November 2009).	
Argentina	Initiation on 18 December 2009 of anti-dumping investigation on imports of new pneumatic tyres, of rubber (NCM 4011.10.00; 4011.20.90; 4011.61.00; 4011.92.10; 4011.92.90) from China.	Resolución SICPME No. 139/2009 (17 December 2009).	

Annex 1 (cont'd)

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

Country/ Member State	Measure	Source/Date	Status
Argentina	New customs regulation "aduanas especializadas en el despacho de determinadas mercaderías de importación para consumo" amending the list of entry points (selected seaports and airports) for certain products such as carbonates; tableware and kitchenware; articles of leather; textiles and apparel; footwear; ceramic products; glassware; imitation jewellery; articles of iron or steel; articles of base metal; machinery and mechanical appliances; electrical machinery and equipment; vehicles and parts and accessories; clocks and watches; lamps; toys; and manufactured articles (NCM Chapters 28; 39; 42; 50 to 64; 69; 70; 71; 73; 82; 83; 84; 85; 87; 90; 94; 95; 96).	Resolución No. 3/2010 DGA (29 January 2010).	
Argentina	Initiation on 11 February 2010 of anti-dumping investigation on imports of polypropylene filament yarn (NCM 5402.48.00; 5402.59.00) from Brazil.	Resolución SICPME No. 15/10 (10 February 2010).	
Argentina	Initiation on 13 February 2010 of anti-dumping investigation on imports of air conditioning machines (NCM 8415.10.11; 8415.83.00; 8418.69.40) from Korea, Malaysia, Thailand, and Viet Nam.	Resolución SICPME No. 16/10 (12 February 2010).	
Argentina	Initiation on 13 February 2010 of anti-dumping investigation on imports of men's or boy's suits, blazers and jackets (NCM 6203.11; 6203.12; 6203.19; 6203.22; 6203.23; 6203.29.10; 6203.29.90; 6203.31; 6203.32; 6203.33; 6203.39) from China.	Resolución SICPME No. 18/10 (12 February 2010).	
Argentina	Initiation on 3 March 2010 of anti-dumping investigation on imports of steel straight slaw blades, for working metals (NCM 8202.91.00; 8202.99.90) from China.	Resolución SICPME No. 36/10 (2 March 2010).	
Argentina	Update of the list of "criterion values" (valores criterio de carácter precautorio) for imports of a number of products such as baby carriages and parts (NCM 8715.00); flywheels and pulleys, including pulley blocks (NCM 8483.50.90); automatic circuit breakers (NCM 8536.20.00); other knitted or crocheted fabrics of synthetic fibres dyed or printed (NCM 6006.42.00; 6006.44.00); stemware drinking glasses, other than of glass-ceramics (NCM 7013.28.00); other drinking glasses, other than of glass-ceramics (NCM 7013.37.00); and benzoyl peroxide (NCM 2916.32.10) from certain specified origins.	Resoluciones Generales AFIP Nos. 2720/2009, 2730/2009, 2777/2010, 2778/2010, 2779/2010, 2780/2010, 2781/2010, 2783/2010 and 2785/2010 (various dates from November 2009 to March 2010).	
Argentina	Adjustment of "criterion values" (valores referenciales de exportación de carácter precautorio) for exports of a number of products such as natural honey (NCM 0409.00.00); fresh grapes (NCM 0806.10.00); copper and articles thereof (NCM 74); and fresh apples, pears and quinces (NCM 0808.10.00; 0808.20.10) for certain specified destinations.	Resoluciones Generales AFIP Nos. 2786/2010, 2787/2010, 2788/2010, and 2790/2010 (26 February 2010).	
Argentina	Temporary export ban on ferrous waste and scrap, remelting scrap ingots of iron or steel (NCM 7204.10.00; 7204.21.00; 7204.29.00; 7204.30.00; 7204.41.00; 7204.49.00; 7204.50.00) until 9 July 2010.	Permanent Delegation of Argentina to the WTO (3 June 2010).	
Argentina, Brazil, Paraguay and Uruguay (Mercosur)	Temporary increase of the Mercosur Common Tariff (to 28%) for 11 tariff lines (dairy products: NCM 0402.10; 0402.21; 0402.29; 0402.99; 0404.10; 0406.10; 0406.90), as from 31 January 2010 until 31 December 2011. Paraguay and Uruguay given a waiver on this measure.	Decisión No. 25/09 del Consejo del Mercado Común (7 December 2009), and Permanent Delegation of Brazil to the WTO (1 February 2010).	

Annex 1 (cont'd)

Country/ Member State	Measure	Source/Date	Status
Argentina, Brazil, Paraguay and Uruguay (Mercosur)	Temporary increase of the Mercosur Common Tariff (to 18% and 26%) for 157 tariff lines (textiles and textile articles: NCM 5004; 5005; 5006; 5106; 5107; 5108; 5109; 5110; 5204; 5205; 5206; 5207; 5306; 5307; 5308; 5401; 5402; 5403; 5404; 5405; 5502; 5508; 5509; 5510; 5911). Paraguay and Uruguay given a waiver on this measure.	Decisión No. 26/09 del Consejo del Mercado Común (7 December 2009), and Permanent Delegation of Brazil to the WTO (1 February 2010).	
Argentina, Brazil, Paraguay and Uruguay (Mercosur)	Temporary increase of the Mercosur Common Tariff (to 35%) for 3 tariff lines (articles of leather: NCM 4202.22.10; 4202.22.20; 4202.92.00). Paraguay and Uruguay given a waiver on this measure.	Decisión No. 27/09 del Consejo del Mercado Común (7 December 2009), and Permanent Delegation of Brazil to the WTO (1 February 2010).	
Australia	Consumer price index adjustment for the calculation of new rates of customs duties for certain products such as alcoholic beverages (HS 2203; 2204; 2205; 2206; 2207; 2208) and tobacco products (HS 2401; 2402; 2403) resulting in increase of the customs and excise duties, as from 1 February 2010.	Customs Notice No. 2010/05 (2 February 2010).	
Australia	Gradual reduction of applied tariffs on textiles, clothing, and footwear products until 2015 (for items with a rate of 17.5% down to 10%; and for items with rates of 10% or 7.5% to 5%) (HS Chapters 30; 38; 39; 40; 42; 43; 50; 51; 52; 54; 55; 56; 57; 58; 59; 60; 61; 62; 63; 64; 65; 90; 94).	Permanent Delegation of Australia to the WTO (1 January 2010).	
Australia	Reduction of applied tariffs on passenger motor vehicles and parts (from 10% down to 5%) (HS Chapters 39; 40; 68; 70; 73; 83; 84; 85; 87; 90; 94; 96), as from 1 January 2010.	Permanent Delegation of Australia to the WTO (1 January 2010).	
Australia	Termination on 25 November 2009 of anti-dumping investigation on imports of linear low density polyethylene (HS 3901.10; 3901.90) from Canada and the United States (initiated on 28 May 2009).	Permanent Delegation of Australia to the WTO (1 February 2010).	
Australia	Initiation on 3 December 2009 of anti-dumping investigation on imports of certain plywood sheeting, of conifer and non-conifer species, in various widths and grades ranging from high quality appearance structurally-certified grades with minimal imperfections, through to non-structural non-appearance grades to which no manufacturing standard applies (HS 4412.31; 4412.32; 4412.39) from Brazil, Chile, China, and Malaysia.	Permanent Delegation of Australia to the WTO (1 February 2010).	
Australia	Termination on 12 January 2010 (following a reinvestigation) of anti-dumping duties on imports of toilet paper (HS 4818.10) from China and Indonesia (reinvestigation initiated on 30 June 2009).	Permanent Delegation of Australia to the WTO (1 February 2010).	
Australia	Termination on 16 February 2010 of anti-dumping duties on imports of certain silicon (HS 2804.69) from China (imposed on 17 February 2005).	Permanent Delegation of Australia to the WTO (1 February 2010).	
Australia	Termination on 17 February 2010 (following a continuation inquiry) of anti-dumping duties on imports of hot dipped galvanised steel pipe (HS 7306.30) from Thailand (imposed on 18 February 2000).	Permanent Delegation of Australia to the WTO (1 February 2010).	
Australia	Termination on 23 March 2010 of anti-dumping duties on imports of polyvinyl chloride homopolymer resin (HS 3904.10) from Hungary (no application for continuation received) and Korea (following a continuation inquiry) (duties imposed on 24 March 2000).	Permanent Delegation of Australia to the WTO (18 May 2010).	

Country/ Member State	Measure	Source/Date	Status
Australia	Initiation on 19 April 2010 of anti-dumping investigation on imports of clear float glass (CFG) in nominal thicknesses of 3 mm-12 mm (HS 7005.29.00) from China, Indonesia, and Thailand.	Report No. 159 - Australian Customs and Border Protection Service (April 2010).	
Australia	Increase of excise rates for imports of certain tobacco products (HS 2401.10.00; 2401.20.00; 2401.30.00; 2402.10.20; 2402.10.80; 2402.20.20; 2402.20.80; 2403.10.30; 2403.10.70; 2403.91.00; 2403.99.80), as from 30 April 2010.	Customs Notice (No 1) 2010 (29 April 2010).	
Brazil	Creation of new tariff lines, in some cases resulting in a decrease of import tariffs on products such as codfish (NCM 0305.30.10) (from 10% to 0%), and electrical equipment (from 18% to 0%), as from 1 January 2010.	Resolução No. 82 (15 December 2009).	
Brazil	Reduction of import tariffs (from a range of 12-14% down to 2%) on 573 tariff lines such as capital goods, informatics, and telecommunication equipment.	CAMEX Resolutions Nos. 61 and 62 (28 October 2009); 77 and 78 (15 December 2009); 3 and 4 (4 February 2010).	
Brazil	Initiation on 4 November 2009 of anti-dumping investigation on imports of knitted or crocheted viscose fabrics (NCM 6004; 6006) from China.	Circular No. 60 Ministério do desenvolvimento, indústria e comércio exterior - Secretaria de comércio exterior (3 November 2009).	
Brazil	Initiation on 4 November 2009 of anti-dumping investigation on imports of hand tools "rebitadores manuais" (NCM 8205.59.00) from China.	Circular No. 72 Ministério do desenvolvimento, indústria e comércio exterior - Secretaria de comércio exterior (22 December 2009).	
Brazil	Termination (lapsing of application period) on 7 November 2009 of anti-dumping duties on imports of ammonium nitrate (NCM 3102.30.00; 3105.51.00; 3105.59.00) from Russia and Ukraine.	WTO Document G/ADP/N/195/BRA of 23 March 2010.	
Brazil	Termination (without measure) on 16 December 2009 of anti-dumping investigation on imports of polyethylene terephthalate resins (NCM 3907.60.00) from Argentina (initiated on 27 April 2009).	WTO Document G/ADP/N/195/BRA of 23 March 2010.	
Brazil	Initiation on 12 March 2010 of anti-dumping investigation on imports of salt "sal grosso" (NCM 2501.00.19) from Chile.	Circular No. 7 Ministério do desenvolvimento, indústria e comércio exterior - Secretaria de comércio exterior (7 March 2010).	
Brazil	Reduction of import tariffs (to 2%) on 6 tariff lines such as informatics, machinery and equipment (NCM 8419.50.90; 8471.70.12; 8537.20.90; 8541.30.29; 9030.40.90; 9030.82.10), until 31 December 2010.	CAMEX Resolution No. 17 (25 March 2010).	
Brazil	Reduction of import tariffs (to 2%) on 163 capital goods tariff lines (NCM Chapters 84, 85, 86, 87, 89, 90, and 94), until 31 December 2010.	CAMEX Resolution No. 18 (25 March 2010).	

Annex 1 (cont'd)

Country/ Member State	Measure	Source/Date	Status
Brazil	Extension of the period until 31 December 2011, of the reduction of import tariffs (to 2%) for 232 tariff lines (informatic and telecommunication equipments, and capital goods) (NCM Chapters 73; 82; 84; 85; 87; 89; 90).	CAMEX Resolutions Nos. 26 and 27 (14 April 2010).	
Brazil	Initiation on 12 March 2010 of anti-dumping investigation on imports of glassine and other glazed transparent or translucent papers (NCM 4806.40.00) from France, Italy, and Hungary.	Circular No. 13 Ministério do desenvolvimento, indústria e comércio exterior - Secretaria de comércio exterior (16 April 2010).	
Brazil	Reduction of import tariffs (to zero) on A(H1N1) vaccines (NCM 3002.20.11; 3002.20.21), for a period of 12 months. (Included on its national list of exemptions to the Mercosur Common Tariff).	CAMEX Resolution No. 22 (23 April 2010).	
Brazil	Reduction of import tariffs (from 20% to zero) on ethyl alcohol (NCM 2207.10.00; 2207.20.10) until 31 December 2011. (Included on its national list of exemptions to the Mercosur Common Tariff).	Permanent Delegation of Brazil to the WTO and CAMEX Resolution No. 21 (23 April 2010).	
Brazil	Reduction of import tariffs (to 2%) on certain products such as palm kernel (quota 150,000 tonnes) (NCM 1513.29.10); backed refined copper (quota 450,000 units) (NCM 7410.21.10); electrodes (quota 10,000 tonnes) (NCM 8545.19.90), for a period of 12 months.	CAMEX Resolution No. 25 (29 April 2010).	
Brazil	Reduction of import tariffs (to 2%) on paper and paperboard in rolls (NCM 4810.13.90).	CAMEX Resolution No. 29 (14 May 2010).	
Brazil	Amendments to the IPI value-added tax incentive scheme. IPI reductions for household appliances were eliminated as from 31 January 2010. IPI increased (to 7%) for commercial vehicles; and (from 0 to 5%) for furniture and components as from March and April 2010 respectively.	Permanent Delegation of Brazil to the WTO (26 May 2010).	
Brazil	New tax incentives (Integrated Drawback) for exporters (mainly agri-businesses); consisting in the elimination of the IPI value-added tax (5%), or the PIS/Cofins social contribution on the basis of the turnover (9.5%) on the purchase of inputs (local and imported) to be used in the manufacturing of export products. A similar scheme was already in place for machine parts, and equipment.	Permanent Delegation of Brazil to the WTO (26 May 2010).	The full IPI reduction was extended until June 2010 for capital goods; and until 31 December 2010 for construction material.
Brazil	Elimination of import tariffs and the IPI value-added tax (5%) for computers for public schools.	Permanent Delegation of Brazil to the WTO (26 May 2010).	
Canada	Trade facilitation measure liberalizing the conditions under which shipping containers (HS 9801.10.20) can temporarily be imported into Canada on a duty-free basis.	Permanent Delegation of Canada to the WTO (1 February 2010).	Permanent measure effective as from 15 December 2009.
Canada	Initiation on 22 March 2010 of anti-dumping investigation on imports of greenhouse bell peppers (HS 0709.60.90) from the Netherlands.	Preliminary Injury Inquiry No. PI-2009-005 - Canadian International Trade Tribunal (22 March 2010).	
Canada	Elimination of import tariffs on 1,541 tariff lines (manufacturing inputs, machinery and equipment). The majority of those items with a simple average MFN rate of 7.2%, became duty-free as of 5 March 2010 (1,100 tariff lines), with the remainder scheduled to be gradually eliminated, starting on 5 March 2010 but by no later than 1 January 2015.	WTO Document G/MA/W/101 of 19 April 2010.	

Annex 1 (cont'd)

Country/ Member State	Measure	Source/Date	Status
Canada	Termination (without measure) on 6 May 2010 of anti-dumping investigation on imports of polyisocyanurate thermal insulation board (HS 3921.13) from the United States (initiated on 8 October 2009).	Permanent Delegation of Canada to the WTO (18 May 2010).	
China	Initiation on 6 November 2009 of anti-dumping investigation on imports of saloon cars and cross-country cars of a cylinder capacity of no less than 2,000 cc (HS 8703.23; 8703.24; 8703.32; 8703.33; 8703.90) from the United States.	Permanent Delegation of China to the WTO (1 February 2010).	
China	Initiation on 6 November 2009 of countervailing investigation on imports of saloon cars and cross-country cars of a cylinder capacity of no less than 2,000 cc (HS 8703.23; 8703.24; 8703.32; 8703.33; 8703.90) from the United States.	Permanent Delegation of China to the WTO (1 February 2010).	
China	Annual adjustment of the catalogue of items subject to automatic import licensing, which includes products such as pork, chicken, vegetable oil, tobacco, paper, milk, minerals, chemicals, electrical products, and certain steel products.	Permanent Delegation of China to the WTO (1 February 2010).	
China	Reduction of applied MFN import tariffs on six tariff lines (HS 0810.10; 0812.90; 2206.00.10; 2206.00.90; 4104.19; 5512.11) including products such as fresh strawberries, fermented beverages, woven fabrics of synthetic staple fibres, hides and skins, as from 1 January 2010.	Permanent Delegation of China to the WTO (1 February 2010).	
China	Elimination of export duties on 17 tariff lines (HS 2508; 2606; 2620; 2818; 2826; 2827; 2834; 7202; 7216) including products such as clays, aluminium ores, chemicals, ferro-alloys, as from 1 January 2010.	Permanent Delegation of China to the WTO (1 February 2010).	
China	Reduction of interim export duty rates on 21 tariff lines (HS 2809; 2814; 2834; 3102; 3103; 3105) including products such as chemicals and fertilizers, as from 1 January 2010.	Permanent Delegation of China to the WTO (1 February 2010).	
China	Temporary increase of MFN import tariffs on fuel oil (to 3%), and jet fuel (to 6%), but below their respective binding levels of 6% and 9%.	Permanent Delegation of China to the WTO (1 February 2010).	
China	Termination (expiry without review) on 14 November 2009 of anti-dumping duties on imports of monoethanolamine diethanolamine from Iran and Mexico (initiated on 14 November 2004).	WTO Document G/ADP/N/195/CHN of 19 March 2010.	
China	Termination (expiry without review) on 30 November 2009 of anti-dumping duties on imports of chloroform (HS 2903.13) from India (imposed on 30 November 2004).	WTO Document G/ADP/N/195/CHN of 19 March 2010.	
China	Termination (expiry without review) on 31 December 2009 of anti-dumping duties on imports of dispersion unshifted single-model optical fiber (HS 9001.10) from the United States (imposed on 1 January 2005).	WTO Document G/ADP/N/195/CHN of 19 March 2010.	
China	Initiation on 22 April 2010 of anti-dumping investigation on imports of dispersion unshifted single-mode optical fibre (HS 8544.70) from the EU and the United States.	Permanent Delegation of China to the WTO (18 May 2010).	
China	Initiation on 22 April 2010 of anti-dumping investigation on imports of caprolactam (HS 2933.71) from the EU and the United States.	Permanent Delegation of China to the WTO (18 May 2010).	
China	Import ban on poultry products (HS 0207) from Pennsylvania and Texas (USA) (15 January 2010), and Bhutan (12 March 2010), due to low pathogenic avian influenza.	Permanent Delegation of China to the WTO (18 May 2010).	

Annex 1 (cont'd)

Country/ Member State	Measure	Source/Date	Status
China	Elimination of import restrictions due to A(H1N1) Flu on swine and swine products from Canada on 1 December 2009, and for all countries, as from 23 February 2010.	Permanent Delegation of China to the WTO (18 May 2010).	
China	Elimination of import restrictions due to Bird Flu from Chile and Thailand on 23 and 30 December 2009 respectively, and from Belgium on 15 April 2010.	Permanent Delegation of China to the WTO (18 May 2010).	
EU	Termination on 18 March 2010 of anti-dumping duties on imports of polyester staple fibres (HS 5503.20.00) from China, Korea, and Saudi Arabia (imposed on 10 March 2005).	Commission Notices 2009/C 249/08 and 249/09 (17 October 2009).	.
EU	Export refunds for milk and milk products.	Commission Regulations Nos. 1056/2009 of 5 November 2009 and 1113/2009 of 19 November 2009.	No longer applicable as from 19 November 2009.
EU	Initiation on 17 December 2009 of anti-dumping investigation on imports of certain continuous filament glass fibre products (HS 7019.11; 7019.12; 7019.19; 7019.31) from China.	Commission Notice 2009/C 307/11 (17 December 2009).	
EU	Renewal of the prior surveillance system on steel imports (first established in 2002) until 31 December 2012. Product coverage has been updated and now also includes flat stainless steel products and large welded tubes (HS chapters 72 and 73).	Public information available on the European Commission's website transmitted by the EU Delegation (17 December 2009).	
EU	Initiation on 22 December 2009 of anti-dumping investigation on imports of purified terephthalic acid and its salts of a purity by weight of 99.5% or more (HS 2917.36.00) from Thailand.	Commission Notice 2009/C 313/08 (22 December 2009).	
EU	Initiation on 22 December 2009 of countervailing investigation on imports of purified terephthalic acid and its salts of a purity by weight of 99.5% or more (HS 2917.36.00) from Thailand.	Commission Notice 2009/C 313/09 (22 December 2009).	
EU	Establishment of an additional quantitative limit (500,000 tonnes) for the exports of out-of-quota white sugar (HS 1701.99) without refund in respect of marketing year 2009-10. The quota was fully allocated by 22 February 2010.	Public information available on the European Commission's website transmitted by the EU Delegation. Commission Regulation No. 94/2010 (3 February 2010).	Expiration date 30 June 2010.
EU	Initiation on 17 February 2010 of anti-dumping investigation on imports of zeolite A powder (HS 2842.10.00) from Bosnia and Herzegovina.	EU Notice (OJ C 40/05) (17 February 2010).	
EU	Initiation on 17 February 2010 of anti-dumping investigation on imports of melamine (HS 2933.61.00) from China.	EU Notice (OJ C 40/10) (17 February 2010).	
EU	Initiation on 18 February 2010 of anti-dumping investigation on imports of coated fine paper, which is paper or paperboard coated on one or both sides (excluding Kraft paper or Kraft paperboard), in either sheets or rolls, and with a weight of 70g/m^2 or more but not exceeding 400g/m^2 and brightness of more than 84 (HS 4810) from China.	EU Notice (OJ 2010/ C 41/06) (18 February 2010).	

Annex 1 (cont'd)

Country/ Member State	Measure	Source/Date	Status
EU	Termination (without measure) on 25 February 2010 of anti-dumping investigation on ring binder mechanisms (HS 8305.10.00) from Thailand (initiated on 17 December 2008).	Commission Decision 2010/116/EU (24 February 2010).	
EU	Termination on 21 March 2010 of anti-dumping duties on imports of reciprocating compressors (excluding reciprocating compressor pumps), giving a flow not exceeding 2 m^3 per minute (HS 8414.40; 8414.80) from China (imposed on 18 March 2008).	Commission Notice 2010/C 73/10 (23 March 2010).	
EU	Termination (repealed after interim review no-dumping) on 30 December 2009 of anti-dumping duties on imports of Ferro-silicon (HS 7202.21.00; 7202.29.20; 7202.29.90) from the Former Yugoslav Republic of Macedonia (imposed on 28 February 2008).	WTO Document G/ADP/N/195/EEC of 31 March 2010.	
EU	Initiation on 1 April 2010 of anti-dumping investigation on imports of stainless steel bars and rods, not further worked than cold-formed or cold-finished, other than bars and rods of circular cross-section of a diameter of 80 mm or more (HS 7222.20) from India.	Commission Notice OJ C 87/1 (1 April 2010).	
EU	Initiation on 1 April 2010 of countervailing investigation on imports of stainless steel bars and rods, not further worked than cold-formed or cold-finished, other than bars and rods of circular cross-section of a diameter of 80 mm or more (HS 7222.20) from India.	Commission Notice OJ C 87/17 (1 April 2010).	
EU	Initiation on 17 April 2010 of countervailing investigation on imports of coated fine paper, which is paper or paperboard coated on one or both sides (excluding Kraft paper or Kraft paperboard), in either sheets or rolls, and with a weight of 70g/m2 or more but not exceeding 400g/m2 and brightness of more than 84 (HS 4810) from China.	EU Notice (OJ C 99/30) (17 April 2010).	
EU	Termination on 11 May 2010 of anti-dumping investigation on imports of steel ropes and cables, including locked coil ropes, excluding ropes and cables of stainless steel, with a maximum cross-sectional dimension exceeding 3 mm (SWR) (HS 7312.10.81; 7312.10.83; 7312.10.85; 7312.10.89; 7312.10.98) from Korea (initiated on 11 August 2009) (possible circumvention of anti-dumping measures imposed in 2005).	EU Regulation No. 400/2010 (26 April 2010).	
India	Initiation on 3 November 2009 of anti-dumping investigation on imports of polymers of vinyl chloride or of other halogenated olefins in primary forms (HS 3904.22.10) from China; Japan; Korea; Malaysia; Russia; Chinese, Taipei; and Thailand.	Notification No. 14/36/2009-DGAD Ministry of Commerce & Industry - Department of Commerce (3 November 2009).	
India	Initiation on 5 November 2009 of anti-dumping investigation on imports of sodium tripoly phosphate (STPP) (HS 2835.31.00) from China.	Notification No. 14/25/2009-DGAD Ministry of Commerce & Industry - Department of Commerce (5 November 2009).	
India	Termination (without measure) on 4 November 2009 of safeguard investigation on imports of oxo alcohols (HS 2905; 2912) (initiated on 16 January 2009).	WTO Document G/SG/N/9/IND/4 of 5 November 2009.	
India	Termination (without measure) on 8 December 2009 of safeguard investigation on imports of hot-rolled coils, sheet, strips (HS 7208) (initiated on 9 April 2009).	WTO Document G/SG/N/9/IND/5 of 23 November 2009.	

Annex 1 (cont'd)

Country/ Member State	Measure	Source/Date	Status
India	Termination (without measure) on 18 November 2009 of safeguard investigation on imports of linear alkyl benzene-LAB (HS 3817.00.11) (initiated on 6 January 2009).	WTO Document G/SG/N/9/IND/6 of 1 December 2009.	
India	Termination (without measure) on 24 November 2009 of safeguard investigation on imports of plain particle board (HS 4410) (initiated on 22 April 2009).	WTO Document G/SG/N/9/IND/7 of 1 December 2009.	
India	Termination (without measure) on 5 November 2009 of safeguard investigation on imports of uncoated paper and copy paper (HS 4802) (initiated on 20 April 2009).	WTO Document G/SG/N/9/IND/8 of 4 December 2009.	
India	Termination (without measure) on 6 November 2009 of safeguard investigation on imports of unwrought aluminium, aluminium waste and aluminium scraps whether or not alloyed (HS 7601; 7602) (initiated on 22 May 2009).	Permanent Delegation of India to the WTO (December 2009).	
India	Termination (without measure) on 13 November 2009 of safeguard investigation on imports of coated paper and paper board (HS 4810) (initiated on 20 April 2009).	WTO Document G/SG/N/9/IND/9 of 4 December 2009.	
India	Initiation on 8 January 2010 of anti-dumping investigation on imports of glass fibre and articles thereof, including glass rovings, glass chopped strands, glass chopped strands mats (HS 7019) from China.	Notification No. 14/28/2009-DGAD Ministry of Commerce & Industry - Department of Commerce (8 January 2010).	
India	Initiation on 12 January 2010 of anti-dumping investigation on imports of seamless tubes, pipes & hollow profiles of iron, alloy or non-alloy steel (other than cast iron), whether hot finished or cold drawn or cold rolled, of an external diameter not exceeding 273 mm or 10" (HS 7304) from China.	Notification No. 14/55/2009-DGAD Ministry of Commerce & Industry - Department of Commerce (12 January 2010).	
India	Transfer of electrical energy (HS 2716.00.00) to the restricted list. Imposition of import licensing requirement for this item.	Permanent Delegation of India to the WTO (1 February 2010).	
India	Increase of the purchase price for domestic wheat (HS 1001) from Rs 1,080/quintal (US$23/quintal) for 2008-09 to Rs 1,100/quintal (US$23.6/quintal) for 2009-10.	Permanent Delegation of India to the WTO (1 February 2010).	
India	Increase of export tax on iron ore fines (HS 2601.11.30; 2601.11.40) (from 0% to 5%), and on iron ore lumps and pellets (HS 2601.11.10; 2601.11.20) (from 5% to 10%).	Permanent Delegation of India to the WTO (1 February 2010).	Effective as from 24 December 2009.
India	Temporary reduction of import tariffs (to zero) for refined sugar (HS 1701.91.00; 1701.99.90) (until 31 December 2010).	Permanent Delegation of India to the WTO (1 February 2010).	
India	Initiation on 1 February 2010 of anti-dumping investigation on imports of PVC flex films (HS 3918.10.90; 3918.90.90; 3919.90.90; 3920.10.12; 3920.10.19; 3920.49.00; 3921.90.26; 3921.90.29; 3926.90.80; 3926.90.99) from China.	Notification No. 14/04/2010-DGAD Ministry of Commerce and Industry (1 February 2010).	
India	Suspension of export prohibition on wheat and wheat products (HS 1001.10; 1001.10.90; 1001.90; 1001.90.20; 1001.90.39) (imposed as of 8 October 2007) for the export of 50,000 MT to Nepal through Food Cooperation of India.	Ministry of Commerce and Industry Notification No. 29/2009-2014 (9 February 2010).	
India	Amendment to the Import Licensing Note No. 2(II)(d) under Chapter 87 restricting entry points for imports of new vehicles to nine seaports and international airports.	Ministry of Commerce and Industry Notification No. 30/2009-2014 (10 February 2010).	

Annex 1 (cont'd)

Country/ Member State	Measure	Source/Date	Status
India	Initiation on 10 February 2010 of anti-dumping investigation on imports of polypropylene "homo-polymers and co-polymers of propylene" (HS 3902.10.00; 3902.30.00) from Korea; Chinese, Taipei; and the United States.	Ministry of Commerce and Industry Notification DGAD No. 14/26/2009 (10 February 2010).	
India	Initiation on 12 April 2010 of anti-dumping investigation on imports of hot rolled flat products of stainless steel of ASTM Grade 304 with all its variants (HS 7219.11; 7219.12; 7219.13; 7219.14; 7219.21; 7219.22; 7219.23; 7219.24; 7220.11; 7220.12) from the EU; Korea; South Africa; Chinese, Taipei; and the United States.	Notification No. 14/12/2010-DGAD Ministry of Commerce & Industry - Department of Commerce (12 April 2010).	
India	Initiation on 16 April 2010 of anti-dumping investigation on imports of azodicarbonamide (ADC) "blowing agent or foaming agent" (HS 2927.00.90; 2942.00.90; 3812.00.89) from China.	Ministry of Commerce and Industry Notification DGAD No. 14/7/2010 (16 April 2010).	
India	On 29 April 2010 the export duty rate on iron ore lumps (HS 2601.11.10; 2601.11.20) was further increased from 10% to 15%.	Permanent Delegation of India to the WTO (3 June 2010).	
India	Elimination of the foreign commission concession (12.5%) which was included in the calculation of the minimum export price (MEP) for basmati rice (HS 1006.30.20), reducing its export floor price.	Permanent Delegation of India to the WTO (3 June 2010).	
India	Suspension of import tariffs on semi-milled or wholly milled-rice (HS 1006.30), until 30 September 2010.	Permanent Delegation of India to the WTO (3 June 2010).	
India	Elimination of export ban of organic non-basmati rice (HS 1006.10.90; 1006.20.00; 1006.30.10; 1006.30.90; 1006.40.00) and wheat (HS 1001). Rice exports limited to 10,000 tonnes/year, and wheat exports to 5,000 tonnes/year.	Permanent Delegation of India to the WTO (3 June 2010).	
India	Withdrawal of hot rolled coils, including seamless tubes/pipes, parts and accessories of motor vehicles (HS 7208), and carbon black (HS 2803.00.10) from the import restricted list.	Permanent Delegation of India to the WTO (3 June 2010).	
India	Imposition of new measures for cotton yarn sector such as (i) suspension of the DEPB (7.67%) benefit available for cotton yarn exports; (ii) suspension of duty drawback scheme for cotton yarn exports (as from 29 April 2010); and (iii) mechanism to register cotton yarn exporters.	Permanent Delegation of India to the WTO (3 June 2010).	The DEPB was suspended as from 21 April 2010.
India	Re-imposition of a duty on exports of raw cotton and yarn. Prior to 9 April 2010, raw cotton exports were fully exempted. After this date, this exemption was withdrawn.	Permanent Delegation of India to the WTO (3 June 2010).	
India	Concessional import tariff rate (5%) for certain agricultural machineries (i.e. paddy transplanter; laser land leveller; reaper-cum-blinder; sugarcane harvester; straw or fodder balers; cotton picker) not locally manufactured.	Permanent Delegation of India to the WTO (3 June 2010).	
India	Elimination of import tariffs for refrigeration units ("air conditioners") used for the production of refrigerated vans or trucks.	Permanent Delegation of India to the WTO (3 June 2010).	Effective as from 27 February 2010.
India	Notice from the Department of Telecommunications requesting local satellite-based communications services providers to obtain security clearance (30 working day) before importing communication equipments, for national security purposes.	Permanent Delegation of India to the WTO (3 June 2010).	
India	Reduction and elimination of import tariffs on selected products (polymer, inputs for orthopaedic implants, rhodium, gold ore, raw materials, long pepper, asafoetida), under the Union Budget 2010-11.	Permanent Delegation of India to the WTO (3 June 2010).	

Annex 1 (cont'd)

Country/ Member State	Measure	Source/Date	Status
India	Import ban on dairy products including chocolates (HS 0401; 0402; 0403; 0404; 0405; 0406; 1806).	Permanent Delegation of India to the WTO (3 June 2010).	
Indonesia	New Decree to protect human health and public moral, stipulating that imports, distribution and selling of alcohol can only be made through companies owned by Indonesian citizens which are situated in Indonesia, as from 1 January 2010.	Permanent Delegation of Indonesia to the WTO.	
Indonesia	Regulation requiring local and foreign bidders for energy service contracts to use a minimum of 35% domestic content in their operations.	Permanent Delegation of Indonesia to the WTO (December 2009) and Regulation PTK No. 007 Revisi-1/PTK/IX/2009.	
Indonesia	New Decree prioritizing the supply of mineral coal to domestic needs, in order to manage and prevent shortages, as from 31 December 2009.	Permanent Delegation of Indonesia to the WTO (18 May 2010) and Decree No. 34/2009.	
Indonesia	Implementation of trade facilitation measures such as duty exemption for imports of machines, goods and materials for the establishment and development of industries for investment, as from 16 November 2009. The exemption is granted only if products are: (i) not yet produced domestically; (ii) produced domestically but not fulfil the required specifications; and (iii) produced domestically but not sufficient for the industries' needs.	Permanent Delegation of Indonesia to the WTO (1 February 2010).	
Indonesia	Initiation on 19 January 2010 of safeguard investigation on imports of aluminium foil food container/aluminium tray and plain lid (HS 7612.90.90).	WTO Document G/SG/N/6/IDN/6 of 5 February 2010.	
Indonesia	Initiation on 19 January 2010 of safeguard investigation on imports of wire of iron/non-alloy steel, not plated/coated, containing carbon less than 0.25% by weight (HS 7217.10.10).	WTO Document G/SG/N/6/IDN/7 of 5 February 2010.	
Indonesia	Initiation on 19 January 2010 of safeguard investigation on imports of wire of iron/non-alloy steel, plated with zinc (HS 7217.20.10).	WTO Document G/SG/N/6/IDN/8 of 5 February 2010.	
Indonesia	Initiation on 5 February 2010 of safeguard investigation on imports of stranded wire, ropes and cables for locked coil, flattened strands and non-rotating wire ropes (HS 7312.10.10).	WTO Document G/SG/N/6/IDN/9 of 18 February 2010.	
Indonesia	New Decree on textiles and textile products removing overlapping tariff lines and stipulating certain import conditions (prevent misuse and/or manipulation in bonded zone), as from 26 January 2010.	Permanent Delegation of Indonesia to the WTO (18 May 2010) and Decree No. 02/M-DAG/PER/1/2010.	
Indonesia	Elimination of import ban due to A(H1N1) Flu, as from 11 February 2010.	Permanent Delegation of Indonesia to the WTO (18 May 2010).	
Indonesia	Import surveillance mechanism for certain products such as machines, machines equipments (HS 8428.33.90; 8443.19.00; 8477.10.39; 8477.90.39; 8480.71.00; 8480.79.00; 9010.50.90), raw materials (HS 3907.40.00), blank optical discs, and loaded optical discs (HS 8523.40), for IPR "protection/reinforcement" purposes, as from 15 March 2010.	Permanent Delegation of Indonesia to the WTO (18 May 2010) and Decree No. 11/ M-DAG/PER/3/2010.	
Indonesia	Trade facilitation measure related to the provision of importer's identification number (API), as from 29 March 2010.	Permanent Delegation of Indonesia to the WTO (18 May 2010) and Decree No. 17/ M-DAG/PER/3/2010.	

Country/ Member State	Measure	Source/Date	Status
Indonesia	New import license regime implementing two different types of licenses. A general import license (API-U) for the imports for third parties, and a producer import license (API-I) for imports for own consumption and/or to be utilized in the production process. The Decree aims to increase business certainty and expedite services.	Permanent Delegation of Indonesia to the WTO (1 June 2010) and Decree No. 45/ M-DAG/PER/9/2009.	Implemented as from 1 January 2010.
Indonesia	Additional requirements on imports of cosmetic and traditional herbal medicines (HS 2106.90; 3301.29; 3301.90; 3303; 3304; 3305; 3306; 3307; 3401; 8539.31.90).	Permanent Delegation of Indonesia to the WTO (1 June 2010) and Decree No. 23/ M-DAG/PER/5/2010 (signed on 21 May 2010).	Effective as from 21 June 2010.
Indonesia	Initiation on 30 April 2010 of safeguard investigation on imports of stranded wire, ropes and cables, excluding locked coil, flattened strands and non-rotating wire ropes; platted or coated with brass, and of a nominal diameter not exceeding 3 mm; and stranded wire of diameter of less than 3 mm (HS 7312.10.90).	WTO Document G/SG/N/6/IDN/10 of 21 May 2010.	
Japan	Reduction of applied import tariffs on 10 tariff lines including products such as industrial alcohol and petroleum products (HS 2207.10; 2710.11; 2710.19), as part of a multi-year planned progressive tariff cuts.	Permanent Delegation of Japan to the WTO (1 April 2010).	
Japan	The Postal Reform Bill was approved by the Cabinet on 30 April 2010. Its main contents are: (i) Japan Post Group to be reorganized from 5 to 3 companies; (ii) to ensure universal services such as postal services, savings, and life insurances, to be integrally available at post offices in a simple and user-friendly manner; and (iii) to ensure that Japan Post Group be able to provide postal services equally and universally throughout the country. The Japanese government intends to ensure the consistency with its GATS and other international agreements in the future operation, and relevant laws and regulations.	Permanent Delegation of Japan to the WTO (1 June 2010).	
Korea, Rep. of	Recent legislation "Framework Act on Low Carbon and Green Growth" aiming at cutting energy consumption and greenhouse gas emissions, encouraging Korean government agencies to purchase energy efficient products.	Permanent Delegation of Korea to the WTO (April 2010).	
Korea, Rep. of	Termination on 22 November 2009 of anti-dumping duties on imports of guide hole puncher (HS 8462.41; 8462.49) from Japan (imposed on 23 November 2006).	WTO Document G/ADP/N/195/KOR of 6 April 2010.	
Korea, Rep. of	Termination on 11 December 2009 of anti-dumping duties on imports of polyvinyl alcohol (HS 3905.30; 3905.91) from China, Singapore, and the United States (imposed on 12 December 2006).	WTO Document G/ADP/N/195/KOR of 6 April 2010.	
Korea, Rep. of	Termination on 19 December 2009 of anti-dumping duties on imports of PVC plate (HS 3917.39; 3919.19; 3920.49; 3921.12; 3921.90) from Japan (imposed on 20 December 2004).	WTO Document G/ADP/N/195/KOR of 6 April 2010.	
Korea, Rep. of	Reduction of import tariffs "base duty rate" (from 40% to 35%) for refined sugar (HS 1701.91; 1701.99).	Permanent Delegation of Korea to the WTO (18 May 2010).	Effective as from 1 January 2010.
Korea, Rep. of	Initiation on 6 May 2010 of anti-dumping investigation on imports of stainless steel plate (HS 7219.21; 7219.22) from Japan.	Permanent Delegation of Korea to the WTO (1 June 2010).	

Annex 1 (cont'd)

Country/ Member State	Measure	Source/Date	Status
Mexico	Gradual tariff reduction on 97% of manufactured goods. This reduction will take place in 5 annual phases. By 2013 the average applied tariff should be 4.3%; 63% of tariff lines should be duty-free. Average tariff on manufactured goods fell from 10.6% in 2008 to 8.3% in 2009, and to 5.2% as of 1 January 2010.	Permanent Delegation of Mexico to the WTO (February 2010).	Second phase took place on 1 January 2010.
Mexico	Termination on 19 November 2009 of anti-dumping duties on imports of monobutyl ether (HS 2909.43.01) from the United States (imposed on 30 May 2008).	WTO Document G/ADP/N/195/MEX of 25 March 2010.	
Mexico	Federal Programme "Programa de Regulación Base Cero" aimed at reducing and/or eliminating unnecessary trade procedures, as well as facilitate customs formalities.	Permanent Delegation of Mexico to the WTO (12 May 2010).	Effective as from January 2010.
Mexico	Increase of tariff-free import quota for toys (HS 9503.00; 9504.30; 9504.40; 9504.90; 9505.90; 9506.56.99; 9506.62.01; 9506.69; 9506.70; 9506.99), as from 26 March 2010 until 31 December 2014.	Permanent Delegation of Mexico to the WTO (31 May 2010).	
Mexico	Initiation on 21 April 2010 of anti-dumping investigation on imports of woven fabrics of cotton "denim" (HS 5209.42.01; 5209.42.99; 5211.42.01; 5211.42.99) from China.	Permanent Delegation of Mexico to the WTO (31 May 2010).	
Russian Federation	Reduction of import tariffs on stamping machines with programmed numerical control (from 10% to duty-free) (HS 8462.10.10).	Permanent Delegation of the Russian Federation (13 December 2009).	Measure implemented in December 2009 and abolished in January 2010.
Russian Federation	Specific import tariffs (€0.07/kg (US$0.09/kg)) on top of current import duty on caustic soda (HS 2815.11.00).	Permanent Delegation of the Russian Federation (1 February 2010).	Measure (which was introduced in September 2009) abolished in January 2010.
Russian Federation	Increase of import tariffs (from 0% to 5%) on water boilers, internal combustion engines, air and vacuum pumps (HS Chapter 84).	Permanent Delegation of the Russian Federation (1 February 2010).	Measure (which was introduced in October 2009) abolished in January 2010.
Russian Federation	Increase of import tariffs (from 0% to 10%) on certain type of pumps (HS 8414.60.00).	Permanent Delegation of the Russian Federation (1 February 2010).	Measure implemented in November 2009 and abolished in January 2010.
Russian Federation	New import tariffs on polyvinylchloride (from 10% to 15%), but not less than €0.12/kg (US$0.15/kg) (HS 3904.10.00).	Permanent Delegation of the Russian Federation (1 February 2010).	Measure (which was introduced in October 2009) abolished in January 2010.
Russian Federation	Increase of import tariffs on snowmobiles (from 5% to 10%) (HS 8703.10.11), for nine months.	Permanent Delegation of the Russian Federation (1 February 2010).	Measure (which was introduced in October 2009) abolished in January 2010.
Russian Federation	Reduction on import tariffs (from 20% to 15%) on certain types of corrosion-resistant pipes (HS 7304.11; 7304.41; 7304.49; 7306.11; 7306.40), as from 2 November 2009.	Permanent Delegation of the Russian Federation (1 February 2010).	No longer applicable. Safeguard measure imposed (28.1% for three years).
Russian Federation	Increase of export duty (from 5% to 20%) on certain magnesium scrap, but not less than €138/tonne (US$170/tonne) (HS 8104.20.00), as from 8 November 2009.	Permanent Delegation of the Russian Federation (1 February 2010).	

Annex 1 (cont'd)

Country/ Member State	Measure	Source/Date	Status
Russian Federation	Increase of import tariffs on live pigs (from 5% to 40%, but not less than €0.5/kg (US$0.6/kg)) (HS 0103.91; 0103.92).	Permanent Delegation of the Russian Federation (1 February 2010).	Effective as from 1 January 2010.
Russian Federation	New Decree "Food Security Doctrine" aiming at guaranteeing food security and the development of the domestic food production sector. It stipulates specific weight criteria of domestic production which is used for estimation of the level of food security (based on FAO recommendations). Specific weight is stipulate at the level of 95% for grain and potatoes, no less than 90% for milk, no less than 85% for meat and salt, and no less than 80% for sugar and seafood.	Permanent Delegation of the Russian Federation (1 February 2010).	
Russian Federation	Reduction of US import quotas for the year 2010 for poultry (from 750,000 to 600,000 tonnes) (HS 0105; 0207) and pork (from 100,000 to 57,500 tonnes) (HS 0203).	Permanent Delegation of the Russian Federation (1 February 2010).	
Russian Federation	Increase of US import quotas for the year 2010 for beef (from 18,500 to 21,700 tonnes) (HS 0202).	Permanent Delegation of the Russian Federation (1 February 2010).	
Russian Federation	Extension of duty-free access for certain metal processing equipments (HS 8455.22), for nine months.	Permanent Delegation of the Russian Federation (18 May 2010).	Effective until 8 July 2010.
Russian Federation	Prolongation in January 2010 of the temporary import tariff increase on butter and certain types of dairy products (by €0.13/kg up to €0.35/kg (US$0.16/kg to US$0.43/kg)); and milk and dairy cream (by 5% up to 20%), for nine months.	Permanent Delegation of the Russian Federation (18 May 2010).	
Russian Federation	Prolongation in November 2009 of the temporary import tariff increase on wheat and silo harvesters (from 5% to 15%) (HS 8433.51.00; 8433.59), for nine months.	Permanent Delegation of the Russian Federation (18 May 2010).	
Russian Federation	Prolongation in December 2009 of the temporary import tariff increase on soy oil meal (from 0% to 5%) (HS 2304.00.00), for nine months.	Permanent Delegation of the Russian Federation (18 May 2010).	
Russian Federation	Increase of import tariffs on rice and milling products (HS 1006.10; 1006.40; 1103.19.50; 1103.20.50; 1104.19.91; 1108.19.10) (from €0.07/kg to €0.12/kg (US$0.09/kg to US$0.15/kg)), for nine months.	Permanent Delegation of the Russian Federation (18 May 2010).	Effective as from 10 December 2009.
Russian Federation	Prolongation in November 2009 of the import tariff elimination on certain types of high-speed trains (HS 8603.10.00; 8605.00.00).	Permanent Delegation of the Russian Federation (18 May 2010).	
Russian Federation	Prolongation of the temporary elimination of import tariffs (to zero) for natural rubber (HS 4001.22.00; 4001.29.00).	Permanent Delegation of the Russian Federation (18 May 2010).	Effective as from 16 November 2009.
Russian Federation	Elimination in January 2010 of the temporary specific import tariff component (not less than €1.6/unit (US$2.2/unit) on top of current import duty (20%) on tableware (HS 8211.91.30; 8215.20.10; 8215.99.10). Current ad valorem tariff reduced to 15%.	Permanent Delegation of the Russian Federation (18 May 2010).	
Russian Federation	Increase of import tariffs (up to 15%) on certain types of flat metals, and certain types of ferrous metal pipes (up to 15-20%) (HS 7213, 7214, 7216, 7219, 7220, 7227, 7228, 7303, 7304, 7305, 7306), for nine months.	Permanent Delegation of the Russian Federation (18 May 2010).	Effective as from 14 February 2010.
Russian Federation	Introduction of export tariffs on nickel (5%) (HS 7502.10.00), as from 16 December 2009.	Permanent Delegation of the Russian Federation (18 May 2010).	

Annex 1 (cont'd)

Country/ Member State	Measure	Source/Date	Status
Russian Federation	Reduction of import tariffs on articles of apparel, clothing accessories and other articles of furskin (from 20% to 10%) (HS 4303.10.10; 4303.10.90).	Permanent Delegation of the Russian Federation (18 May 2010).	Effective as from 18 December 2009.
Russian Federation	Elimination of import tariffs on polystyrene (HS 3903.11.00).	Permanent Delegation of the Russian Federation (18 May 2010).	Effective as from 20 December 2009.
Russian Federation	Increase of import tariffs on polycarbonates (from 0% to 5%) (HS 3907.40.00).	Permanent Delegation of the Russian Federation (18 May 2010).	Effective as from February 2010.
Russian Federation	Reduction of import tariffs on drops for eye lens (from 15% to 5%) (HS 3307.90.00).	Permanent Delegation of the Russian Federation (18 May 2010).	Effective as from December 2009.
Russian Federation	Initiation on 11 March 2010 of safeguard investigation on imports of caramel (HS 1704.90.71; 1704.90.75; 1806.90.50).	Permanent Delegation of the Russian Federation (1 June 2010).	
Russian Federation	Elimination of import restrictions on pork from 11 US slaughter plants, participating in an "export verification programme".	Permanent Delegation of the Russian Federation (1 June 2010).	
Russian Federation	Implementation of measures aimed at facilitating the imports of meat from Paraguay.	Permanent Delegation of the Russian Federation (1 June 2010).	
Belarus, Kazakhstan, Russian Federation	Adoption of a Common External Tariff (CET) consisting of 11,170 tariff lines, of which 9,208 are subject to ad valorem duties, 1,746 to compound duties and 216 to specific duties. CET rates on 9,024 tariff lines are equal to those of the Russian import tariff (as of November 2009). For 426 tariff lines including products such as meat, cheese, eggs, rice, flour, oils, sugar, cement, plastic, wood, textiles, aluminium, the CET rates are higher than those of the Russian import tariff. For 1,357 tariff lines including products such as live animals, vegetables, chemicals, plastics, footwear, metals, mechanical equipment, machinery, the CET rates are lower than those of the Russian import tariff.	WTO Document JOB/ACC/ 1 of 12 April 2010.	Effective as from 1 January 2010.
Saudi Arabia	Re-imposition of import tariffs (5%) for imports of steel (HS 7213; 7214; 7215), as from January 2010. Imports from Gulf Cooperation Council members exempted.	Permanent Delegation of Saudi Arabia to the WTO (2 June 2010).	
South Africa	Termination on 27 November 2009 of anti-dumping duties on imports of acrylic fabrics (HS 5512; 5515; 5801) from Turkey (imposed in November 2004).	WTO Document G/ADP/N/195/ZAF of 5 February 2010.	
South Africa	Termination (without measure) on 6 November 2009 of countervailing investigation on imports of stainless steel sinks (HS 7324.10) from Malaysia (initiated on 25 July 2008).	WTO Document G/SCM/N/203/ZAF of 9 February 2010.	
South Africa	Increase of import tariffs on wheat and meslin (HS 1001.90) (from zero to R 0.1407/kg (US$0.02/kg)) and wheat or meslin flour (HS 1101.00) (from zero to R 0.211/kg (US$0.03/kg)). Imports from Southern African Development Community (SADC) members exempted.	Government Gazette No. 33140 - No. R. 341 (30 April 2010).	
Turkey	Initiation on 22 January 2010 of anti-dumping investigation on imports of glass fibre reinforcement materials (HS 7019) from China.	Permanent Delegation of Turkey to the WTO (22 January 2010).	
Turkey	Increase of import tariffs (from 0% to 34% for EU Members and to 37% for non-EU Members) for bream fish (HS 0301.99.80), as from 1 January 2010.	Permanent Delegation of Turkey to the WTO (1 February 2010).	

Annex 1 (cont'd)

Country/ Member State	Measure	Source/Date	Status
Turkey	Reduction of import tariffs for buckwheat (HS 1008.10) (from 130% to 40%) and for millet (HS 1008.20) (from 130% to 80%), as from 1 January 2010.	Permanent Delegation of Turkey to the WTO (1 February 2010).	
Turkey	Termination (no application for sunset review) on 20 November 2009 of anti-dumping duties on imports of polyester synthetic staple fibres (HS 5503.20) from Belarus (imposed on 20 November 2004).	WTO Document G/ADP/N/195/TUR/ Rev.1 of 21 April 2010.	
Turkey	Requirement for reciprocity for good manufacturing practices certificates to be submitted for receiving market authorization for pharmaceutical products, as from 1 March 2010.	Permanent Delegation of Turkey to the WTO (31 May 2010).	
United States	Initiation on 21 January 2010 of anti-dumping investigation on imports of steel drill pipe, and steel drill collars, whether or not conforming to American Petroleum Institute (API) or non-API specifications, whether finished or unfinished (including green tubes suitable for drill pipe), without regard to the specific chemistry of the steel, and without regard to length or outer diameter (HS 7304; 8431) from China.	United States International Trade Commission Inv. Nos. 701-TA-474 and 731-TA-1176 (31 December 2009).	
United States	Initiation on 21 January 2010 of countervailing investigation on imports of steel drill pipe, and steel drill collars, whether or not conforming to American Petroleum Institute (API) or non-API specifications, whether finished or unfinished (including green tubes suitable for drill pipe), without regard to the specific chemistry of the steel, and without regard to length or outer diameter (HS 7304; 8431) from China.	United States International Trade Commission Inv. Nos. 701-TA-474 and 731-TA-1176 (31 December 2009).	
United States	U.S.-Canada Agreement on Government Procurement. The agreement has two elements. First, it includes permanent and reciprocal commitments under the WTO Government Procurement Agreement (GPA) with respect to provincial, territorial and state procurement. In addition, the agreement provides for additional, reciprocal guarantees of access on a temporary basis. Canada is providing US suppliers with access to construction procurement of a number of provincial and territorial entities (not covered by the GPA) and municipal entities. The United States is providing Canadian suppliers with access to state and local public works projects in seven programmes funded by the American Recovery and Reinvestment Act of 2009 (ARRA). The United States is also offering access to the seven ARRA programmes to the other GPA parties, based on the negotiation of mutually acceptable commitments.	Permanent Delegation of the United States to the WTO (18 February 2010).	
United States	Termination (without measure) on 16 November 2009 of anti-dumping investigation on imports of certain standard steel fasteners (HS 7318.15; 7318.16) from China and Chinese Taipei (initiated on 22 October 2009).	WTO Document G/ADP/N/195/USA of 18 March 2010.	
United States	Termination (without measure) on 16 November 2009 of countervailing investigation on imports of certain standard steel fasteners (HS 7318.15; 7318.16) from China (initiated on 22 October 2009).	WTO Document G/SCM/N/203/USA of 18 March 2010.	
United States	Termination (without measure) on 5 November 2009 of countervailing duties on imports of ni-resist piston inserts (HS 8409.99) from Argentina (imposed on 6 July 2009).	WTO Document G/SCM/N/203/USA of 18 March 2010.	
United States	Initiation on 20 April 2010 of anti-dumping investigation on imports of certain aluminium extrusions which are shapes and forms produced via an extrusion process of aluminium alloys (HS 7604.21.00; 7604.29.10; 7604.29.30; 7604.29.50; 7608.20.00; 7610.10; 7610.90; 7615.19; 7615.20; 7616.99) from China.	US Department of Commerce - International Trade Administration Fact Sheet (April 2010).	

Country/ Member State	Measure	Source/Date	Status
United States	Initiation on 20 April 2010 of countervailing investigation on imports of certain aluminium extrusions which are shapes and forms produced via an extrusion process of aluminium alloys (HS 7604.21.00; 7604.29.10; 7604.29.30; 7604.29.50; 7608.20.00; 7610.10; 7610.90; 7615.19; 7615.20; 7616.99) from China.	US Department of Commerce - International Trade Administration Fact Sheet (April 2010).	
United States	Establishment of an additional in-quota (181,437 metric tonnes raw value MTRV) quantity of the fiscal year 2010 tariff-rate quota (TRQ) for imported raw cane sugar (HS 1701) for the remainder of fiscal year 2010 (30 September 2010) for 27 countries. This quantity is in addition to the minimum amount to which the US is committed pursuant the Uruguay Round Agreements (1,117,195 MTRV).	Permanent Delegation of the United States to the WTO (31 May 2010).	Effective as from 11 May 2010.

NON-VERIFIED INFORMATION

Country/ Member State	Measure	Source/Date	Status
China	Promulgation of the "2009 National Indigenous Innovation Products Accreditation Programme" on 15 November 2009 which reportedly extends preferences for government procurement purposes only to products whose intellectual property is owned and originally trademarked in China (products covered include computers, communications devices, software, and new energy products). It was clarified by the Chinese authorities that the Notice is only an invitation for application so that the applicants may have their products accredited as national indigenous innovation products. The Notice is not linked to government procurement regulations.	Inside US-China Trade (6 January 2010) and Oxford Analytica referring to Notice 618.	
China	Reported implementation of measures aimed at helping domestic production, including GPA preferences for local companies, tax incentives and rebates, and local content preferences for energy-related equipments.	The Christian Science Monitor (16 March 2010).	
China	Reported inclusion in the National Indigenous Innovation Product Catalogue of "third generation communications network construction" under the domestic "time division synchronous code division multiple access (TD-SCDMA)".	Press reports (17 March 2010).	
China	New access requirements for foreign operators in the credit card payment-processing market. Foreign operators are only allowed to participate in the local currency bank card market by issuing co-branded cards with local institutions.	China Economic Review Publishing (26 March 2010).	
China	Stringent controls on soya and soya oil imports (HS 1201; 1507) from Argentina.	BBC Mundo (6 April 2010).	
China	New management mechanism by the Ministry of Industry and Information Technology for imports of iron ore (HS 2601.11; 2601.12).	Xinhua's China Economic Information Service (19 April 2010).	
China	Reported import ban on US dairy products (HS 0401; 0402; 0403; 0404; 0405; 0406), as from 1 May 2010.	WTO Reporter (29 April 2010).	
China	Duty-free access for 5,000 products from Bangladesh.	The Financial Express (9 May 2010).	

ANNEX 2

G20 - General Economic Stimulus Measures[1]
(November 2009 – mid-May 2010)

VERIFIED INFORMATION

Country/ Member State	**Measure**	**Source/Date**	**Status**
Brazil	Additional credit line (US$4 billion) for State Governments through the National Development Bank (BNDES).	Permanent Delegation of Brazil to the WTO (1 February 2010).	Terminated on 31 December 2009.
Brazil	Additional credit line (R$80 billion (US$44 billion)) through the National Development Bank (BNDES), allocated to maintain activities already scheduled. The credit line will not generate new commitments.	Permanent Delegation of Brazil to the WTO (2 June 2010).	
Brazil	Announcement of phase 2 of the Growth Acceleration Programme (PAC 2) (estimated investments US$520 million for the period 2011-14) encompassing a set of actions and investment goals aimed at creating the necessary conditions for long -term economic growth and social development.	Permanent Delegation of Brazil to the WTO (2 June 2010).	
China	Refund of 13% of the sales price granted to farmers on the purchase of nine types of home appliances, including TV sets (initially established on 1 February 2009).	Permanent Delegation of China to the WTO (1 February 2010).	On 1 January 2010, the scope of beneficiaries of the programme was further expanded.
China	Measures to promote the domestic film industry such as preferential fiscal measures, and ⅔ of screening time reserved for local films (already applicable since 2001), under the Guiding Opinions on Promotion of Prosperous Development of the Film Industry of 21 January 2010.	Permanent Delegation of China to the WTO (1 February 2010).	
EU	Amendment to the "Temporary Community Framework for State Aid measures to support access to finance in the current financial and economic crisis".	Communication from the Commission (2009/C 303/04) (15 December 2009).	
EU	Specific market support measure for dairy farmers (€300 million (US$369 million)). The measure is intended to grant a financial envelope in order to support dairy farmers that are severely affected by the collapse of world market and EU market prices and encounter liquidity problems in these circumstances. Members to communicate to the Commission without delay and no lather than 31 March 2010 a description of the objective criteria used to determine the methods for granting support and the provision taken to avoid distortion of markets.	Commission Regulation No. 1233/2009 (15 December 2009).	

Annex 2 (cont'd)

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

Country/ Member State	Measure	Source/Date	Status
Austria	"Bürgschaftsrichtlinien" Aid scheme (overall budget €15.8 million (US$19.45 million) and annual budget €5.1 million (US$6.3 million)), in the form of guarantee for restructuring firms in difficulty (all sectors), for the period 10 October 2009 until 9 October 2011.	EU State Aid N 673/09 (22 January 2010).	
Austria	Short-term export credit insurance scheme. The Commission authorized, under EU State aid rules, a measure adopted by Austria to limit the adverse impact of the current financial crisis on exporting firms. The scheme is effective until 31 December 2010.	Public information available on the European Commission's website transmitted by the EU Delegation (1 February 2010). EU State Aid N 434/09 (OJ 2010/C 25/02).	
Austria	Temporary state aid to help farmers (€1.2 million (US$1.5 million)) available until the end of 2010.	Public information available on the European Commission's website transmitted by the EU Delegation (2 June 2010). EU State Aid N 118/10.	Decision adopted on 19 April 2010.
Belgium	BELGACAP: "Assurance-crédit export de court terme". Aid scheme (overall budget €300 million (US$369 miilion)) for all sectors, until 31 December 2010.	EU State Aid N 532/09 (6 November 2009).	
Belgium	Limited amounts of aid (€2.73 million (US$3.36 million)) for primary producers hit by the financial crisis, available until the end of 2010. Aid will take the form of state guarantees on working capital loans.	EU State Aid N 34/10 (11 February 2010).	
Bulgaria	Temporary state aid to help farmers (€10.26 million (US$12.6 million)) available until the end of 2010.	Public information available on the European Commission's website transmitted by the EU Delegation (2 June 2010). EU State Aid N 108/10.	Decision adopted on 19 April 2010.
Denmark	Danish Act on Eksport Kredit Fonden (ad hoc contracts). Temporary export lending facility (overall budget DKr 20 billion (US$3.3 billion)) that supplies Danish exporters and their customers with the required liquidity to continue trading until 31 December 2011.	Public information available on the European Commission's website transmitted by the EU Delegation (14 April 2010). EU State Aid NN 4/10 (10 March 2010).	
France	Temporary aid scheme (€700 million (US$861.5 million)) for farmers. The scheme provides aid in the form of direct grants, interest rate subsidies, subsidized loans, as well as aid towards the payment of social security contributions, valid until 31 December 2010. The scheme is in application of the amendment to the Commission's Temporary framework for State aid measures to support access to finance in the current financial and economic crisis, which introduced the possibility of granting limited amounts of aid to primary agricultural producers.	EU State Aid N 609/09 (OJ C30) (6 January 2010).	Decision adopted on 2 December 2009.
France	Aid scheme "aides à l'assistance technique dans le secteur des fruits et légumes" (overall budget €1 million (US$1.23 million)), up to 31 December 2013.	EU State Aid No. XA 232/09 (OJ 2010/C 39/06) (16 February 2010).	

Annex 2 (cont'd)

Country/ Member State	Measure	Source/Date	Status
France	Direct grant (overall budget €2.276 million (US$2.8 million)) for Eastern Airways, aiming at developing new air services from Dijon-Longvic airport, for the period 2010-13.	EU State Aid N 709/09 (25 March 2010).	
Germany	Temporary framework scheme (€100 million (US$123 million)) for farmers. The scheme provides aid in the form of direct grants, interest rates subsidies, subsidized loans, as well as aid of social security contributions, valid until 31 December 2010, and with a maximum amount of €15,000 (US$18,460) per aid. The scheme is in application of the amendment to the Commission's Temporary framework for State aid measures to support access to finance in the current financial and economic crisis, which introduced the possibility of granting limited amounts of aid to primary agricultural producers.	EU State Aid N 597/09 (OJ C33) (10 February 2010).	Decision adopted on 23 November 2009.
Germany	Scheme to facilitate the refinancing of export credits (overall budget €1.5 billion (US$1.85 billion)) through KfW Frankfurt am Main, from 15 September 2009 until 14 March 2010. The Commission authorized the scheme, under EU State aid rules, to limit the adverse impact of the current financial and economic crisis on the supply of export credit.	Public information available on the European Commission's website transmitted by the EU Delegation. EU State Aid N 48/10 (9 March 2010).	Prolongation of the scheme (with some technical modifications) on 9 March 2010 until 31 December 2010.
Germany	Aid package (€30.18 million (US$37.1 million)) to steel producer ArcelorMittal Eisenhüttenstadt GmbH's for a top gas recycling project (TGR).	Public information available on the European Commission's website transmitted by the EU Delegation (2 June 2010). EU State Aid N 450/09 (9 March 2010).	
Italy	Temporary interest rate subsidies for "green" products (overall budget €300 million (US$369.2 million)) until 31 December 2010. The Italian scheme, which was authorized by the Commission under the Temporary Community Framework for State Aid measures to support access to finance in the current financial crisis, provides for interest rate subsidies for the production of environmentally friendly (green) products related to an early adaptation to, or overachievement of, adopted but not yet in force EU environmental product standards. The beneficiaries will include in particular the car sector.	Public information available on the European Commission's website transmitted by the EU Delegation (1 February 2010). EU State Aid N 542/09 (OJ 2010/C 25/04).	
Italy	Export credits insurance (overall budget €31.5 million (US$38.8 million)) for Vinyls Italia S.p.A. (land transport and transport via pipelines, chemicals and pharmaceutical industry), from 1 April 2010 to 1 October 2010.	EU State Aid N 77/10 (25 March 2010).	
Latvia	Guarantee for development of enterprise competitiveness, valid until 31 December 2010. Amendment to the approved aid scheme to include "cooperative partnerships" which provide services to producers of agricultural products (purchase, supply, distribution, and transport), to the list of eligible beneficiaries. Due to the extension of eligible beneficiaries, the Latvian authorities estimate an increase of the overall budget to LVL 40.6 million (US$70.25 million).	Public information available on the European Commission's website transmitted by the EU Delegation (22 December 2009). EU State Aid N 506/2009.	

Annex 2 (cont'd)

Country/ Member State	Measure	Source/Date	Status
Latvia	State guarantee (€89 million (US$154 million)) to steel manufacturer JSC Liepājas Metalurgs (LM), authorised by the Commission under EU State aid rules. The aid is intended for the company modernization and is valid until 15 December 2019.	Public information available on the European Commission's website transmitted by the EU Delegation (1 February 2010). EU State Aid N 670/2009.	
Lithuania	Scheme allowing aid of up to €500,000 (US$615,350) per firm to businesses facing funding problems because of the current credit squeeze. (Beneficiary: companies that were not in difficulty on 1 July 2008).	Public information available on the European Commission's website transmitted by the EU Delegation (1 February 2010). EU State Aid N 272/09.	Amended on 13 November 2009, extending its scope of application to include two measures (i) on diversification into non-agricultural activities; and (ii) on support for business creation and development, which are integrated in the Rural Development Programme 2007-13.
Lithuania	Short-term export credit insurance (LTL 100 million (US$35.4 million)). The Commission authorized, under EU State aid rules, a measure adopted by Lithuania to limit the adverse impact of the current financial crisis on exporting firms. The scheme is effective until 31 December 2010.	Public information available on the European Commission's website transmitted by the EU Delegation (1 February 2010). EU State Aid N 659/09 (OJ 2010/C 33/02).	
Netherlands	Amendments to the short-term export credit insurance (initially approved on 2 October 2009). The modified scope of the cover provided and the level of the premium charged are designed to stimulate exports.	Public information available on the European Commission's website transmitted by the EU Delegation . EU State Aid N 14/10 (5 February 2010).	
Netherlands	Temporary state aid to help farmers (€2.81 million (US$3.46 million)) available until the end of 2010. Aid will take the form of state guarantees on working capital loans.	EU State Aid N 611/09 (OJ C 30) (6 February 2010).	Decision adopted on 22 December 2009.
Netherlands	"Subsidieregeling innovatieve zeescheepsbouw". Direct grant (overall budget €60 million (US$73.8 million), annual budget €20 million (US$24.6 million)) for the shipbuilding sector, from 1 January 2010 to 31 December 2011.	EU State Aid N 692/09 (9 February 2010).	
Poland	State aid to Polish farmers for the purchase of agricultural land under the form of subsidized interest payments on loans amounting to a maximum of Zl 400 million (US$117.8 million) and granted between 1 January 2010 and 31 December 2013.	Council Decision 2010/10/EC (20 November 2009) (OJ L 4/89 of 8 January 2010).	
Poland	Temporary scheme for granting aid of up to €500,000 (US$615,350) per firm. On 8 October 2009 the scheme was amended, allowing an increase of the overall aid at the disposal of an additional group of vulnerable companies, particularly in rural areas.	Public information available on the European Commission's website transmitted by the EU Delegation (1 February 2010).	
Poland	Aid (Zl 11.7 million (US$3.4 milliom)) for Volkswagen Motor Polska Sp. Z o.o, under a block exemption regulation.	EC State Aid X 128/2010 (16 April 2010).	Aid granted on 28 December 2009.

Annex 1 (cont'd)

Country/ Member State	Measure	Source/Date	Status
Poland	Aid (Zl 12.48 million (US$3.7 milliom)) for MTU Aero Engines Poslka Sp. Z o.o, under a block exemption regulation.	EC State Aid X 130/2010 (16 April 2010).	Aid granted on 29 December 2009.
Romania	Guarantees for FORD Romania (overall budget €400 million (US$492.3 million)). The Commission authorized, under the EU State aid rules, a State guarantee for FORD Romania SA to access a loan from the European Investment Bank for the period 2009-14. The loan will co-finance the development of a low CO2 engine and subsequent vehicle production at Ford's Craiova plant.	Public information available on the European Commission's website transmitted by the EU Delegation (13 November 2009). EU State Aid N 478/09.	
Slovak Rep.	Aid (€14.3 million (US$17.6 million)) for Volkswagen Slovakia aiming at the transformation of an existing plant in Bratislava. The project involving eligible investments of €300 million (US$369.2 million) by Volkswagen Slovakia, is aimed at contributing to the development of the region's economy.	EU State Aid N 674/2008 (2 December 2009).	
Slovak Rep.	Scheme for a temporary provision of small aid (€400 million (US$492.3 million)) in the primary agriculture production sector for the duration of the financial and economic crisis.	EU State Aid N 707/09 (3 March 2010).	Effective until 31 December 2010.
Slovak Rep.	Temporary aid scheme allowing direct grants of up to (€500,000 (US$615,350)) per company, for the period 2009-10. (Beneficiary: companies facing funding problems due to the current crisis).	Public information available on the European Commission's website transmitted by the EU Delegation. EU State Aid N 711/09 (2 February 2010).	
Slovak Rep.	Aid support (€3.32 million (US$4.1 million)) for farmers through direct grants.	Public information available on the European Commission's website transmitted by the EU Delegation (2 June 2010). EU State Aid XA 7/10.	Effective from 19 February 2010 until 31 December 2010.
Slovenia	Short-term export credit insurance scheme (€50 million (US$61.54 million)). The scheme requires a higher remuneration than that offered by the private market and tackles the problem of the current insufficiency of short-term export credit insurance covered by the private market. (Beneficiary: insurance companies that insure claims of insurance holders registered in Slovenia, provided that these companies have concluded a whole-turnover contract with insurers).	Public information available on the European Commission's website transmitted by the EU Delegation. EU State Aid N 713/09 (16 March 2010).	Effective until 31 December 2010.
Slovenia	Amendment to the Temporary Framework Scheme "Guarantees-Jamstvena Schema (NN 34/09)" (overall budget €1.2 billion (US$1.48 billion)) up to 31 December 2010. The amendment relates to the possibility to calculate maximum amount of the underlying investment loan covered by a guarantee also on the basis of the annual EU-27 average labour costs. The original scheme intended to be provide in the form of guarantees to both investment and working capital loans including the reprogramming of short-term loans into medium-or long-term loans. Reprogramming of loans is allowed only for short-term loans. Loans intended for the buy-out of companies or shares therein or for the paying-off of existing loans not covered by the scheme are excluded. (Beneficiary: SMEs and large enterprises that exercise an economic activity in Slovenia).	Public information available on the European Commission's website transmitted by the EU Delegation. EU State Aid N 105/10 (16 April 2010).	

Country/ Member State	Measure	Source/Date	Status
Sweden	Short-term export credit insurance scheme, valid until 31 December 2010. The Commission authorized under EU State aid rules, a measure adopted by Sweden to limit the adverse impact of the current financial crisis on exporting firms.	EU State Aid N 605/09 (25 November 2009).	
Sweden	State guarantee (€400 million (US$492.3 million)) for SAAB Automobile AB to access a loan from the European Investment Bank, for the period 2010-19. SAAB is ask to pay an adequate remuneration for the guarantee and provide sufficient securities in the case the guarantee would be drawn.	Public information available on the European Commission's website transmitted by the EU Delegation. EU State Aid N 541/09 (8 February 2010).	
India	Government support (financial aid package) for the National Aviation Company of India Ltd. (Air India). Rs 8 billion (US$171.3 million) approved on 18 February 2010.	Permanent Delegation of India to the WTO (4 March 2010).	
India	Extension of the stimulus package for exporters covering sectors such as textiles and apparel, engineering, electronics, agro-food, and agro-chemicals, as from 31 March 2010.	Permanent Delegation of India to the WTO (3 June 2010).	
Japan	First Supplementary Budget (2009), new Stimulus Package (¥15.4 trillion (US$169.2 billion)) (3% GDP) to ease credit squeeze; provide safety net for unemployed, and stimulate consumer demand.	Permanent Delegation of Japan to the WTO (1 February 2010).	Projects worth ¥2.93 trillion (US$32.8 billion) suspended on 16 October 2009. Second Supplementary Budget (2009) being executed.
Japan	As part of the New Stimulus Package, Government programme (¥370 billion (US$4 billion)), to encourage the purchase of environmentally friendly vehicles (local and imported). The amount of subsidies depends on the type of the vehicle, the age of the car to be replaced, its fuel efficiency, or simply purchase of new one without replacement. Programme undergoing amendments to facilitate greater participation of imported cars.	Permanent Delegation of Japan to the WTO (1 February 2010).	Programme extended for six months, until 30 September 2010.
Korea, Rep. of	Korean Hidden Champion Programme of the Export-Import Bank of Korea (KEXIM) providing tailored loans and guarantees at market rates according to the risk profile of the borrower, for selected SMEs with high technologies and growth potential (45 identified as of May 2010). The total amount of the programme is not fixed, but KEXIM set a target of W 20 trillion (US$16.6 billion) for the next 10 years. The programme is not aimed at specific sectors.	Permanent Delegation of Korea to the WTO (1 June 2010).	
Russian Federation	"Plan of Industry Support" (Rub 195 billion (US$6.3 billion)) for 2010 (mainly through the provision of State guarantees on credits). Measures include support to companies, purchase of vehicles for the public sector, and support to housing and utilities sector.	Permanent Delegation of the Russian Federation (1 February 2010).	
Russian Federation	Cash-for-clunkers plan (Rub 10 billion (US$321.85 million)) allocated in the Federal Budget for 2010. Rub 50,000 (US$1,609) for vehicles older than 10 years. Both foreign and domestic old cars can be utilized under this programme, but only new domestic cars can be bought with the discount. The plan is part of the "Plan of Industry Support".	Permanent Delegation of the Russian Federation (1 February 2010).	

Annex 2 (cont'd)

Country/ Member State	Measure	Source/Date	Status
Russian Federation	Increase of annual federal funding (from Rub 6 billion to Rub 9 billion (US$193.1 million to US$289.7 million)) for exports of industrial products, as a partial compensation of payment of interest on credits given by Russian financial institutions for the period 2005-10.	Permanent Delegation of the Russian Federation (1 February 2010).	
United States	Jobs for Main Street Act (H.R. 2847), including two "Buy American" provisions. Section 2013 adds procedural requirements relating to the issuance of public interest waivers for highways and public transportation projects. Section 4002 also provides that "all funds provided under this Act shall be subject to the requirements of section 1605 of the ARRA, which includes the requirement that the "Buy American" clause be applied in a manner consistent with international agreements.	Permanent Delegation of the United States to the WTO (31 May 2010).	Effective as from 18 March 2010.

NON-VERIFIED INFORMATION

Country/ Member State	Measure	Source/Date	Status
China	State aid through a capital injection (Y 1.5 billion (US$219.7 million)) for China Southern Airlines. The funds appear to be the last instalment of capital extended to the top three carriers.	Press reports (November 2009).	
China	Direct payments to grain farmers (wheat, corn, and rice), and price support mechanism for grains.	Inside US Trade (14 May 2010).	
Japan	Reported increase of state-funded credit to Japan Airlines (from ¥100 billion to ¥200 billion (US$1.1 billion to US$2.2 billion)).	BBC News (4 January 2010).	
South Africa	Second Industrial Policy Action Plan (IPAP) for 12 "focus sector" such as textiles and clothing, plastics, pharmaceutical and chemicals, automotive, and tourism.	Press reports (18 February 2010).	