

## Trade restrictions among G20 economies remain at historic highs: WTO

According to the new **Trade Monitoring Report by the World Trade Organization (WTO)** shows that G20 economies from mid-May to mid-October 2019 introduced import-restrictive measures covering an estimated USD 460 billion worth of traded merchandise. This represents a 37% increase over the previous period going back to mid-October 2018, and is second only to the USD 481 billion coverage of import-restricting measures reported between mid-May and mid-October 2018. The report notes that with restrictions accumulating over time, the share of global trade covered by such measures has soared.

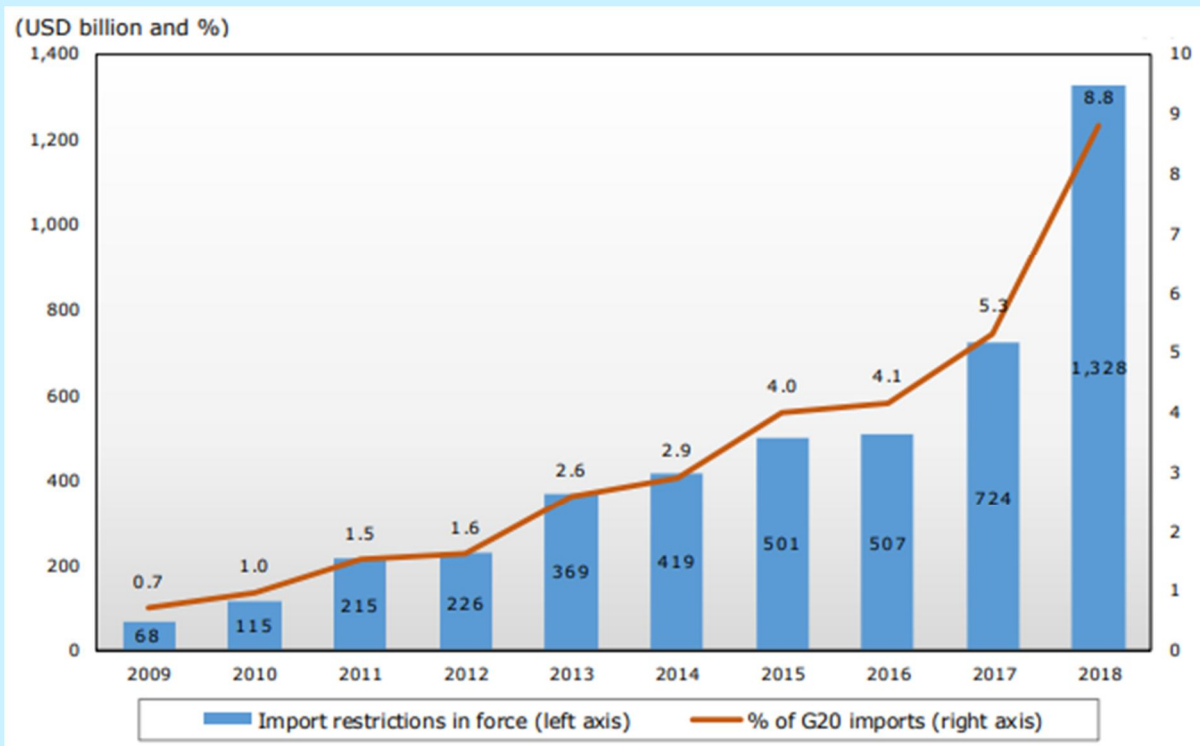
### Key Findings

- The report covers new trade and trade-related measures implemented by G20 economies between 16th May and 15th October 2019. During the review period, new trade restrictions and increasing trade tensions continued to add to the uncertainty surrounding international trade and the world economy.
- World trade growth stalled during the review period and, on 1st October 2019, the WTO downgraded its forecast for world trade growth in 2019 to 1.2%; down from the previous estimate of 2.6% from last April. The slowdown coincided with more negative forward-looking indicators for world trade and output, including export orders derived from purchasing managers' indices and economic policy uncertainty based on the frequency of keywords in press accounts. Risks to the forecast are predominantly on the downside and include a further ratcheting-up of trade-restrictive measures and a

sharper slowing of GDP growth in one or more major economies.

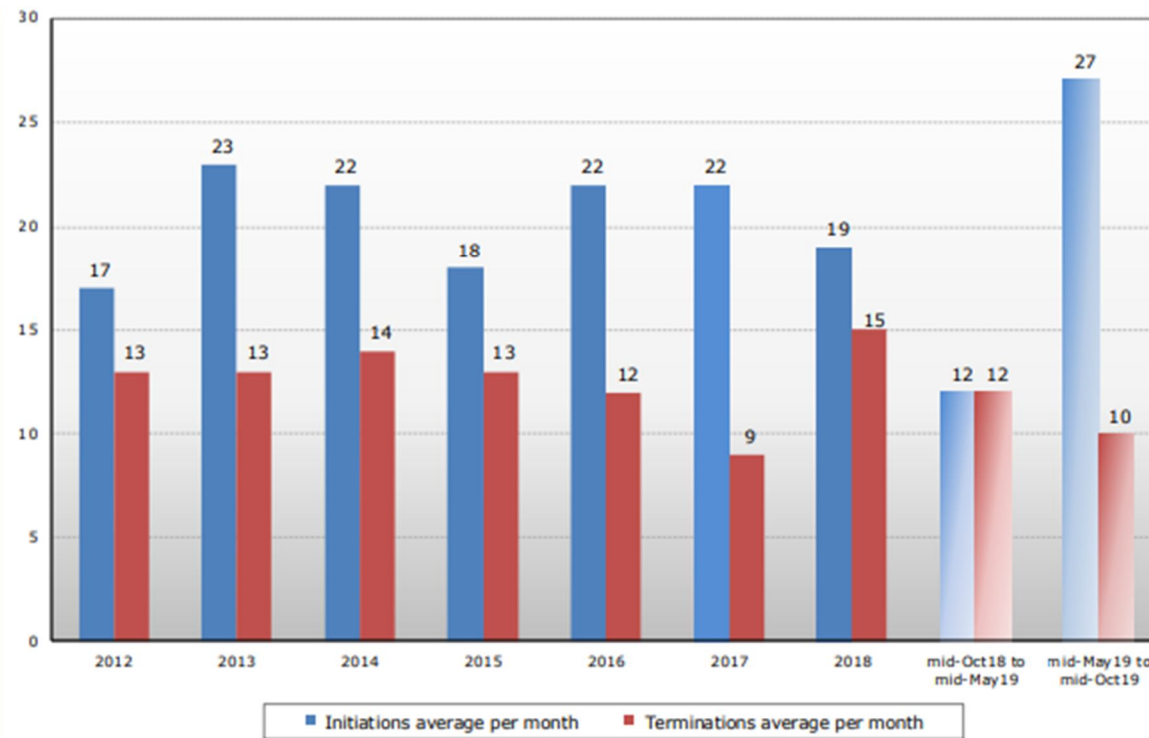
- G20 economies implemented 28 new trade-restrictive measures during the review period. The trade coverage for the new import-restrictive measures implemented by G20 economies was estimated at USD 460 billion. This represents an increase of 37% compared to the previous period (USD 336 billion) and is only second to the USD 481 billion reported for the period mid-May to mid-October 2018.
- The last three Trade Monitoring Reports have seen the shares of G20 trade covered by import-restrictive measures fluctuate between approximately 2.5% and 3.5% of G20 imports, compared to significantly smaller shares previously. The trade coverage of import-restrictive measures over the last three review periods has soared.
- The stockpile of import restrictions implemented since 2009, and still in force, suggests that 8.8% of G20 imports are affected by import restrictions implemented since 2009. At the end of 2018, USD 1.3 trillion out of a total USD 15 trillion of G20 imports were estimated to be affected by import restrictions put in place by G20 economies over the last decade. The trade coverage of import-restrictive measures in force for the period January-October 2019 is estimated at USD 1.6 trillion, suggesting that import restrictions have continued to grow.
- G20 economies also implemented 36 new measures aimed at facilitating trade during the review period. The trade coverage of the new import-facilitating measures implemented by G20 economies was estimated at USD 92.6 billion which is significantly lower than that recorded in the last Report (USD 397 billion).
- During the review period, the monthly average of initiations of trade remedy actions by G20 economies was the highest registered since 2012, and the monthly average of trade remedy terminations recorded in this Report was the second-lowest since 2012. The trade coverage of trade remedy initiations was estimated at around USD 17 billion and that of terminations at USD 3.8 billion. Both figures are down from the trade coverage

recorded for such measures in the last G20 Report.



### Cumulative trade coverage of G20 import-restrictive measures in force since 2009

Source: PHD Research Bureau, PHDCCI, compiled from WTO Secretariat. Note: The cumulative trade coverage estimated by the Secretariat is based on information available in the TMDb on import measures recorded since 2009 and considered to have a trade-restrictive effect. The estimates include import measures for which HS codes were available. The figures do not include trade remedy measures. The import values were sourced from the UNSD Comtrade database.



### G20 Trade remedy initiations and terminations

Source: PHD Research Bureau, PHDCCI, compiled from WTO Secretariat.

Please find enclosed the full report on Trade Monitoring by WTO for your kind reference.

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