

24 July 2020

COVID-19: TRANSPARENCY OF TRADE-RELATED MEASURES

COMMUNICATION FROM AUSTRALIA, CANADA, CHILE, EUROPEAN UNION, JAPAN, KOREA, MEXICO,
NEW ZEALAND, NORWAY, SINGAPORE, SWITZERLAND

As the world continues to grapple with the profound human health and economic impacts of the COVID-19 pandemic, the members of the Ottawa Group have discussed potential trade policy actions that the WTO membership could take to support an inclusive, sustainable, and resilient recovery. The group identified six such policy actions in their June 2020 statement “Focusing Action on Covid-19”, communicated to the General Council on 16 June 2020 (WT/GC/217).

The first action area in that statement concerns transparency, focusing in particular on the trade policy monitoring work carried out by the Trade Policy Review Body. The Members above believe that ensuring maximum transparency of trade-related measures introduced by Members in response to the pandemic or its economic effects must be a priority, be it through the fulfilment of notification obligations and through the participation to the monitoring work. However, the current level of notifications and the participation rate to the monitoring work are not sufficient. Therefore, the Members above want to lead by example in ensuring that their notification obligations are fully met, that their measures are notified as far in advance as practicable, and in cooperating with the WTO Secretariat on the monitoring work. Members above also call on other Members to do the same in order to ensure the transparency of trade-related measures taken in response to the health and economic effects of the COVID-19 pandemic. Further, Members above urge the Secretariat to provide technical assistance to Members that need this to comply with their notification obligations during the pandemic.

The Members above welcome the efforts by the WTO Secretariat to monitor trade-related measures taken in response to COVID-19 (the COVID-19 trade-related measures), including regulatory measures, and support and encourage more work to collect and share information and best practices on such measures. In practice, this includes the following steps:

- a) Returning to the quarterly cycle of trade monitoring reports as during the financial crisis: More frequent reporting is required to allow Members to have a clear picture of fast-evolving trade practices and ensure that the WTO’s monitoring function can work effectively.
- b) Including trade-related economic support measures in the trade monitoring reports: Following the immediate crisis response, Members are taking measures to stimulate the economic recovery. Such measures may have trade effects and, given the levels of economic support being granted, information on such measures is essential to allow Members to have a full picture of the effects of the crisis and the COVID-19 trade-related measures.

c) To the extent possible, making a technical assessment of Members' trade-related economic support measures in reaction to COVID-19, in particular, how many Members have reported measures taken, what are other sources of the information, and the sectors to which the measures are applied.

As a complement to effective transparency, the Members above call on Members to exercise maximum restraint in introducing any trade measures that might serve as an unnecessary obstacle or impediment to trade, and to consider trade facilitative measures where possible. In addition, the Members above call on Members to withdraw any trade restrictive measures introduced in response to COVID-19 as quickly as possible.

Given the importance of the situation, the Members above are calling for the implementation of these actions with immediate effect. In particular, the Members above call for the next quarterly trade monitoring report, and, to the extent possible, an assessment of trade-related economic support measures in reaction to COVID-19 to be published by September/October 2020.