



UNIVERSITY OF
TORONTO

MUNK
SCHOOL
OF
GLOBAL
AFFAIRS

Join the Global Conversation

The
G20 Research Group
at Trinity College at the Munk School of Global Affairs
in the University of Toronto
presents the

2016 G20 Hangzhou Summit Interim Compliance Report

6 September 2016 to 17 February 2017

Prepared by
Sarah Scott, Alissa Xinhe Wang and the G20 Research Group, Toronto,
and Mark Rakhmangulov, Irina Popova, Andrey Shelepov, Andrei Sakharov and the
Center for International Institutions Research
of the Russian Presidential Academy of National Economy and Public Administration,
Moscow

8 April 2017

www.g20.utoronto.ca
g20@utoronto.ca

“The University of Toronto ... produced a detailed analysis to the extent of which each G20 country has met its commitments since the last summit ... I think this is important; we come to these summits, we make these commitments, we say we are going to do these things and it is important that there is an organisation that checks up on who has done what.”

— *David Cameron, Prime Minister, United Kingdom, at the 2012 Los Cabos Summit*

Contents

Preface.....	3
Research Team Based at the University of Toronto	4
Introduction and Summary	6
Methodology and Scoring System	6
Commitment Breakdown	6
Selection of Commitments.....	6
Final Compliance Scores	7
Final Compliance by Member.....	7
Final Compliance by Commitment.....	7
Table 1: 2016 G20 Hangzhou Summit Commitments Selected for Compliance Monitoring... 8	
Table 2: 2016 G20 Hangzhou Summit Final Compliance Scores	10
Table 3: 2015 G20 Hangzhou Summit Final Compliance by Member.....	11
Table 4: 2015 G20 Hangzhou Summit Final Compliance by Commitment.....	11
Table 5: G20 Compliance by Member, 2008-2016	12
Conclusions	13
Future Research and Reports.....	13
Considerations and Limitations.....	13
Appendix: General Considerations	14
1. Macroeconomics: Growth Policy Tools.....	15
2. Innovation.....	47
3. Development: Tax Administration	77
4. Corruption	103
5. Energy: Fossil Fuel Subsidies	145
6. Climate Change	159
7. Trade: Anti-protectionism	192
8. Trade: E-commerce	207
9. 2030 Agenda for Sustainable Development	228
10. Employment: Gender.....	248
11. Migration and Refugees.....	268
12. Financial Regulation: Terrorism	304
13. Technologies and Innovation: Knowledge Diffusion and Technology Transfer	337
14. Financial Regulation: Financial Sector Reform Agenda	360
15. Taxes: Base Erosion and Profit Shifting	360
16. Energy: Energy Efficiency.....	399
17. Trade: Trade Costs.....	424
18. Investment	444
19. Corporate Governance	460

7. Trade: Anti-protectionism

“We extend our commitments to standstill and rollback of protectionist measures till the end of 2018, reaffirm our determination to deliver on them.”

G20 Hangzhou Leaders’ Communiqué

Assessment

	No Compliance	Partial Compliance	Full Compliance
Argentina		0	
Australia			+1
Brazil		0	
Canada			+1
China			+1
France		0	
Germany		0	
India		0	
Indonesia		0	
Italy		0	
Japan		0	
Korea			+1
Mexico			+1
Russia			+1
Saudi Arabia	-1		
South Africa		0	
Turkey		0	
United Kingdom		0	
United States		0	
European Union			+1
Average		+0.30	

Background

The G20 commitment to reduce protectionist barriers has featured in G20 summit documents since the Washington Summit of 2008. This commitment was part of the response by the G20 to the 2008 financial crisis and has previously been extended three times: at the 2009 London Summit, at the 2010 Toronto Summit, and at the Los Cabos Summit until the end of 2014. At the St. Petersburg Summit the commitment was once again extended until the end of 2016. At the 2015 G20 Summit in Antalya, Turkey, G20 members once again reaffirmed their commitment to a standstill and rollback on protectionist measures.

During the most recent 2016 Hangzhou Summit, G20 members once again reaffirmed their commitment to a standstill and rollback protectionist measures.¹⁰⁵¹ To achieve this aim, the G20 asked the World Trade Organisation (WTO), the Organisation for Economic Cooperation and Development (OECD), and the United Nations Conference on Trade and Development

¹⁰⁵¹ G20 Leaders’ Communiqué, Hangzhou Summit, 4-5 September 2016. Access Date: 26 October 2016.
http://g20.org/English/Dynamic/201609/t20160906_3396.html

(UNCTAD) to share the responsibility of monitoring and measuring of trade and investment restrictive measures.¹⁰⁵²

A 2015 report from the European Parliament has identified border measures, which includes export restrictions, as the predominant form of trade protectionism among G20 Member countries. In addition, the report highlights behind-the-border measures, including measures relating to government procurement and restrictions associated with technical regulations, as the second common form of trade protectionism. Furthermore, ongoing uncertainty in the global economy underlines the need for G20 economies to show restraint in the imposition of new measures and to actively eliminate existing ones. Of the 1,583 trade restrictive measures recorded by this exercise since the onset of the crisis in 2008, only 387 have been removed as of Mid-May 2016. The total number of restrictive measures still in place now stands at 1196— up by about 21 per cent by November 2015.

In response to the increasing stockpile of restrictive measures, the WTO, OECD, and UNCTAD have called upon the G20 to roll back on existing forms of protectionism. Compliance with the trade commitment must therefore also be measured in terms of how each member country has rolled back on protectionist measures.

According to a 2015 report from the B20, the G20 must prioritize rolling back on localization barriers to trade (LBTs), as they has been identified as an emerging and damaging non-tariff barrier. LBTs can be defined as any measure that demands that a good or service maintains a certain amount of domestic input, at the expense of foreign investment. This includes forced local content requirements, forced local procurement, forced local ownership, or forced data storage and processing or obstacles to data migration.

Commitment Features

This commitment mandates that G20 members both 1) standstill — cease the implementation of new protectionist measures, and 2) rollback — reducing or eliminating, existing protectionist measures. Raising new measures includes both the act of implementing a protectionist measure as well as announcing or enacting plans to implement new barriers as it is considered critically important that the state act in a way that discourages protectionism.

Protectionist measures are implemented and designed to keep out imports while supporting domestic industries. Global Trade Alert (GTA), a monitoring service operated by the London-based Centre for Economic Policy Research, defines protectionism broadly as anything that hurts another country's commercial interests.¹⁰⁵³ It includes government bailouts of domestic companies, wage subsidies, export and VAT rebates, export credits and financing from state-owned banks.¹⁰⁵⁴ Whether the measures in question are positive or negative for the economy or country is not considered.¹⁰⁵⁵

¹⁰⁵² G20 Leaders' Communiqué, Hangzhou Summit, 4-5 September 2016. Access Date: 26 October 2016.

http://g20.org/English/Dynamic/201609/t20160906_3396.html

¹⁰⁵³ The Hidden Pressures, The Economist 12 October 2013. Access Date: 23 September 2015.

<http://www.economist.com/news/special-report/21587381-protectionism-can-take-many-forms-not-all-them-obvious-hidden-persuaders>

¹⁰⁵⁴ The Hidden Pressures, The Economist 12 October 2013. Access Date: 23 September 2015.

<http://www.economist.com/news/special-report/21587381-protectionism-can-take-many-forms-not-all-them-obvious-hidden-persuaders>

¹⁰⁵⁵ The Hidden Pressures, The Economist 12 October 2013. Access Date: 23 September 2015.

<http://www.economist.com/news/special-report/21587381-protectionism-can-take-many-forms-not-all-them-obvious-hidden-persuaders>

Protectionist trade barriers, according to the World Trade Organization (WTO) include instruments such as “tariffs, non-tariff measures, subsidies, and burdensome administrative procedures regarding imports.”¹⁰⁵⁶ Subsidies in particular cause competition-distorting effects. The WTO states, “the longer the subsidies remain in place, the more they will distort market-based production and investment decisions globally, the greater will become the threat of chronic trade distortions developing, and the more difficult it will become to correct those distortions.”¹⁰⁵⁷ Investment barriers include, but are not limited to measures that discriminate against foreign-based institutions or act as barriers to outward investment flows. Expanding existing, or implementing new, free trade agreements is a form of eliminating trade barriers and will count towards the rolling back of protectionist measures.

Scoring Guidelines

-1	The G20 member implemented new protectionist measures AND existing measures were not rolled back
0	The G20 member did not implement new protectionist measures BUT existing measures were not rolled back OR the G20 member did implement new protectionist measures BUT existing measures were rolled back.
+1	The G20 member did not implement new protectionist measures AND existing measures were rolled back

Lead Analyst: Philip Basaric

Argentina: 0

Argentina has partially complied with its commitment to standstill and rollback of protectionist measures.

On 23 September 2017, ministers from Brazil and Argentina signed a document in order to guide the technical areas of both countries to continue with the Digital Certificate of Origin Pilot Project (COD), aiming to extend and deepen the bilateral trade as well as to promote integration between Brazil and Argentina. In addition, the deal with the Digital Certificate of Origin may save 35 per cent of costs associated with issuing the certificate of origin (CO), in addition to reducing logistics costs for the company.¹⁰⁵⁸

On 21 November 2016, the leaders of Japan and Argentina met, and in an official statement, “The two leaders expressed their expectation toward the promotion of trade and investment between the two countries.”¹⁰⁵⁹ The two countries also signed a memorandum of cooperation between the Japan External Trade Organization and the International Investment and Trade Agency of Argentina.¹⁰⁶⁰ This is aimed at increasing trade volumes, cooperation and consultation between the two countries.

¹⁰⁵⁶ G20 governments refrain from extensive use of restrictive measures, but some slippage evident, World Trade Organization (Geneva) 14 September 2009. Access Date: 3 November 2010. www.wto.org/english/news_e/news09_e/trdev_14sep09_e.htm.

¹⁰⁵⁷ Report on the G20 Trade and Investment Measures, WTO 14 September 2009. Access Date 15 July 2015 https://www.wto.org/english/news_e/news09_e/trdev_14sep09_e.htm

¹⁰⁵⁸ Brazil and Argentina – COD – Digital Certificate of Origin, Reuters 23 September 2017. Access Date: 20 January 2017. <https://tax.thomsonreuters.com/blog/onesource/brazil-and-argentina-cod-digital-certificate-of-origin/>

¹⁰⁵⁹ Argentina and Japan, strategic partners, agree on a investment accord to prop economic ties, Mercopress (Montevideo) 22 November 2016. Date of Access: 13 January 2017. <http://en.mercopress.com/2016/11/22/argentina-and-japan-strategic-partners-agree-on-a-investment-accord-to-prop-economic-ties>

¹⁰⁶⁰ Argentina and Japan, strategic partners, agree on a investment accord to prop economic ties, Mercopress (Montevideo) 22 November 2016. Date of Access: 13 January 2017. <http://en.mercopress.com/2016/11/22/argentina-and-japan-strategic-partners-agree-on-a-investment-accord-to-prop-economic-ties>

On 14 December 2016, Argentina also announced that it is seeking a bilateral trade agreement with the United Kingdom, and indicated openness to discussing the disputed Malvinas/Falkland Islands.¹⁰⁶¹

Argentina did not implement new protectionist measures, however has not rolled back existing measures. Thus, Argentina receives a score of 0.

Analyst: Josh Gold

Australia: +1

Australia has fully complied with the commitment to roll back protectionist measures. On 20 December 2015, Australia commenced phased tariff elimination of its remaining tariffs on Chinese originating goods under the China-Australia Free Trade Agreement.¹⁰⁶² In January 2017, full tariff reductions under the agreement were expected to come into effect.¹⁰⁶³ The phased tariff elimination for imports from China included products such as apparel, electronics, ground nuts, polymers.¹⁰⁶⁴

In March 2016 negotiations on the Indonesia-Australia Comprehensive Economic Partnership Agreement were reactivated and are still ongoing.¹⁰⁶⁵

Australia has rolled back existing protectionism measures, and also not implemented new ones. Thus, Australia receives a score of +1.

Analyst: Alessandra Jenkins

Brazil: 0

Brazil has partially complied with its commitment to eliminate and rollback protectionist measures.

On 23 September 2017, ministers from Brazil and Argentina signed a document in order to guide the technical areas of both countries to continue with the Digital Certificate of Origin Pilot Project (COD), aiming to extend and deepen the bilateral trade as well as to promote integration between Brazil and Argentina. In addition, the deal with the Digital Certificate of Origin may save 35 per cent of costs associated with issuing the certificate of origin (CO), in addition to reducing logistics costs for the company.¹⁰⁶⁶

¹⁰⁶¹ Argentina sees Brexit as Chance for Trade Talks with U.K. After Brexit, Bloomberg (New York City), 15 December 2016. Date of Access: 13 January 2017. <https://www.bloomberg.com/news/articles/2016-12-15/argentina-says-it-will-look-for-trade-deal-with-u-k-after-brexit>

¹⁰⁶² CHAFTA: Tariff cuts as agreement comes into effect December 20. The Australian. Date of Access: 30 March 2017. <http://www.theaustralian.com.au/national-affairs/chafta-tariff-cuts-as-agreement-comes-into-effect-december-20/news-story/18ccef7c67bd60e3220a72452f6a679>

¹⁰⁶³ New year brings new opportunities for Australian exporters, Minister of Trade, Tourism and Investment. 2 January 2017. Date of Access: 19 January 2017. http://trademinister.gov.au/releases/Pages/2016/sc_mr_160102.aspx

¹⁰⁶⁴ FTA Text and Tariff Schedule. Australian Government Department of Foreign Affairs and Trade. Date of Access: 19 January 2017. <http://dfat.gov.au/trade/agreements/chafta/official-documents/Pages/official-documents.aspx>

¹⁰⁶⁵ Indonesia-Australia Comprehensive Economic Partnership Agreement, Australian Government Department of Foreign Affairs and Trade. Date of Access: 30 March 2017. <http://dfat.gov.au/trade/agreements/iacepa/pages/indonesia-australia-comprehensive-economic-partnership-agreement.aspx>

¹⁰⁶⁶ Brazil and Argentina – COD – Digital Certificate of Origin, Reuters 23 September 2017. Access Date: 20 January 2017. <https://tax.thomsonreuters.com/blog/onesource/brazil-and-argentina-cod-digital-certificate-of-origin/>

While no new protectionist measures were registered during the compliance period, Brazil has not rolled back existing protectionist measures. Thus Brazil receives a score of 0.

Analyst: Josh Gold

Canada: +1

Canada has fully complied with the commitment to reduce protectionist measures and barriers to trade.

On 30 October 2016, Prime Minister Justin Trudeau, European Commission President Jean-Claude Juncker, and European Council President Donald Tusk signed the Comprehensive Economic and Trade Agreement (CETA).¹⁰⁶⁷ The agreement includes the elimination of tariffs on European exports entering Canada including agricultural products, wine, and spirits.¹⁰⁶⁸ The agreement also removes barriers to foreign competition from the European Union on Canadian public procurement markets.¹⁰⁶⁹

On 16 December 2016, Canada ratified the World Trade Organization Agreement on Trade Facilitation (TFA).¹⁰⁷⁰ The TFA will reduce bilateral costs of trading with Canada by simplifying customs and borders procedures.¹⁰⁷¹

Canada has therefore taken steps to rollback existing protectionist measures, and also p not implemented any new protectionist policies. Thus, Canada receives a score of +1.

Analyst: Alessandra Jenkins

China: +1

China has fully complied with its commitment to further free-trade and roll back protectionist measures.

On 7 September 2016, Chinese Premier Li Keqiang met with the leaders of the Association of Southeast Asian Nations (ASEAN) countries at the 19th ASEAN-China Summit. Premier Li made a proposal to advance opportunities for expanding economic and trade cooperation amongst ASEAN members. Specifically, Li proposed to upgrade the current China-ASEAN Free Trade Agreement to further trade liberalization, take steps to advance China's Belt and Road initiative and push for the

¹⁰⁶⁷ Canada and the EU sign historic trade agreement during EU-Canada Summit, Justin Trudeau, Prime Minister of Canada. 30 October 2016. Access Date: 13 November 2016. <http://pm.gc.ca/eng/news/2016/10/30/canada-and-eu-sign-historic-trade-agreement-during-eu-canada-summit>

¹⁰⁶⁸ Comprehensive Economic and Trade Agreement, European Commission Trade. 11 November 2016. Access Date: 13 November 2016. <http://ec.europa.eu/trade/policy/in-focus/ceta/>

¹⁰⁶⁹ Comprehensive Economic and Trade Agreement, European Commission Trade. 11 November 2016. Access Date: 13 November 2016. <http://ec.europa.eu/trade/policy/in-focus/ceta/>

¹⁰⁷⁰ Canada ratifies WTO Agreement on Trade Facilitation, Government of Canada (Ottawa). 16 December 2016. Access Date: 19 January 2017. <http://news.gc.ca/web/article-en.do;jsessionid=e08914cbf256fab13c89887651ac5a2682a40175a813f43eacdf34238f737685.e34Rc3iMbx8Oai0Tbx0SaxuSahf0?crtr.sj1D=&crtr.mnthndVI=11&mthd=advSrch&crtr.dpt1D=6673&nid=1170659&crtr.lc1D=&crtr.tp1D=1&crtr.yrStrtVI=2015&crtr.kw=&crtr.dyStrtVI=15&crtr.aud1D=&crtr.mnthStrtVI=11&crtr.page=1&crtr.yrndVI=2018&crtr.dyndVI=7>

¹⁰⁷¹ Canada ratifies WTO Agreement on Trade Facilitation, Government of Canada (Ottawa). 16 December 2016. Access Date: 19 January 2017. <http://news.gc.ca/web/article-en.do;jsessionid=e08914cbf256fab13c89887651ac5a2682a40175a813f43eacdf34238f737685.e34Rc3iMbx8Oai0Tbx0SaxuSahf0?crtr.sj1D=&crtr.mnthndVI=11&mthd=advSrch&crtr.dpt1D=6673&nid=1170659&crtr.lc1D=&crtr.tp1D=1&crtr.yrStrtVI=2015&crtr.kw=&crtr.dyStrtVI=15&crtr.aud1D=&crtr.mnthStrtVI=11&crtr.page=1&crtr.yrndVI=2018&crtr.dyndVI=7>

development of major railway projects between China and ASEAN countries to deepen interconnectivity between markets. ASEAN countries in return agreed to further enhance economic cooperation and accelerate talks on upgrading the China-ASEAN FTA.¹⁰⁷²

On 7 November 2016, Premier Li Keqiang held talks with Russian Prime Minister Dmitry Medvedev in St. Petersburg, Russia to strengthen bilateral relations in numerous areas. Both sides agreed to strengthen economic cooperation, emphasizing the importance of increasing bilateral trade, encouraging mutual investments and expanding cooperation in supporting the active participation of small and medium-sized enterprises. Both sides also agreed to work towards furthering globalization and free trade by better connecting China's Silk Road Economic Belt initiative with the Eurasian Economic Union.¹⁰⁷³ Medvedev stated that Russia's trade turnover with China in 2016 exceeded USD40 billion and hoped to work towards reaching a turnover of USD200 billion with China in the next three to seven years.¹⁰⁷⁴

China has not implemented any new protectionist measures, and has promoted free trade. Thus, China receives a score of +1.

Analyst: Bryan Roh

France: 0

France has partially complied with the commitment to rollback protectionist measures.

No new protectionist measures were registered during the compliance period.

France has not implemented new protectionist measures, however no measures were rolled back. Thus, France receives a score of 0.

Analysts: Philip Basaric & Ujwal Ganguly

Germany: 0

Germany has partially complied with the commitment to rollback protectionist measures.

No new protectionist measures were registered during the compliance period.

Germany has not implemented new protectionist measures, however no measures were rolled back. Thus, Germany receives a score of 0.

Analysts: Philip Basaric & Ujwal Ganguly

India: 0

India has partially complied with its commitment to roll back protectionist measures and barriers to trade.

¹⁰⁷² Li Keqiang Attends 19th China-ASEAN Summit, Emphasizing to Build up Confidence, and Forge Ahead to Push China-ASEAN Relations for More Comprehensive and In-depth Development, Ministry of Foreign Affairs of the People's Republic of China (Beijing) 8 September 2016. Access Date: 3 January 2017.

http://www.fmprc.gov.cn/mfa_eng/topics_665678/LKQCXDYH2LDRXLHYBDLWJXZSFW/t1396780.shtml

¹⁰⁷³ Li Keqiang Co-Chairs the 21st Regular Meeting Between Chinese Premier and Russian Prime Minister with Prime Minister Dmitry Medvedev of Russia, Ministry of Foreign Affairs of the People's Republic of China (Beijing) 8 November 2016. Access Date: 14 November 2016.

http://www.fmprc.gov.cn/mfa_eng/topics_665678/lkqfwjjssthskslttwyelsbcxlgjhy/t1414015.shtml

¹⁰⁷⁴ Russian premier content with level of economic cooperation with China, Russian News Agency (Moscow) 7 November 2016. Access Date: 14 November 2016. <http://tass.com/economy/910789>

On 23 September 2016, India reduced import tariffs on wheat from 25 per cent to 10 per cent. Tariffs on crude palm oil and refined vegetable oils were also reduced.¹⁰⁷⁵

On 6 October 2016, Minimum Import Price (MIP) on steel products was extended for a second period of two months.¹⁰⁷⁶

On 9 December 2016, the import tariff on wheat was eliminated.¹⁰⁷⁷

India implemented new protectionist measures by extending the MIP for steel, but it also rolled back existing protectionist measures for other imported goods. Thus, India receives a score of 0.

Analyst: Ahmed Hasan

Indonesia: 0

Indonesia has partially complied with its commitment to roll back protectionist measures and barriers to trade.

On 7 September 2016, Chinese Premier Li Keqiang met with the leaders of the Association of Southeast Asian Nations (ASEAN) countries at the 19th ASEAN-China Summit. Premier Li made a proposal to advance opportunities for expanding economic and trade cooperation amongst ASEAN members. Specifically, Li proposed to upgrade the current China-ASEAN Free Trade Agreement to further trade liberalization, take steps to advance China's Belt and Road initiative and push for the development of major railway projects between China and ASEAN countries to deepen interconnectivity between markets. ASEAN countries in return agreed to further enhance economic cooperation and accelerate talks on upgrading the China-ASEAN FTA.¹⁰⁷⁸

On 26 September 2016, Indonesia amended its quota system on cattle imported from Australia. The existing system was replaced by a requirement that one-sixth of all Australian cattle exports must be for designated breeding purposes.¹⁰⁷⁹

On 25 October 2016, Deputy Chief of Staff Denni Purbasari indicated that Indonesia was looking into replacing its licensing system for importers of certain food commodities with a tariff system instead.¹⁰⁸⁰

On 15 November 2016, Trade Minister Enggartiasto Lukita indicated that the Indonesian government was considering opening cattle imports to Brazil, Mexico, and Spain.¹⁰⁸¹

¹⁰⁷⁵ India cuts import taxes on wheat, palm oil, refined oils 23 September 2016. Access Date: 21 January 2017. <http://in.reuters.com/article/india-food-duty-idINKCN11T1HR>

¹⁰⁷⁶ Indian trade barriers update: Government replacing MIP with anti-dumping duties in a phased manner 25 October 2016. Access Date: 21 January 2017. http://www.crugroup.com/about-cru/cruinsight/Indian_trade_barriers_update

¹⁰⁷⁷ 10 percent import duty scrapped on wheat as domestic prices rise. 9 December 2016. Access Date: 21 January 2017. <http://economictimes.indiatimes.com/news/economy/foreign-trade/government-scraps-import-duty-on-wheat-source/articleshow/55870015.cms>

¹⁰⁷⁸ Li Keqiang Attends 19th China-ASEAN Summit, Emphasizing to Build up Confidence, and Forge Ahead to Push China-ASEAN Relations for More Comprehensive and In-depth Development, Ministry of Foreign Affairs of the People's Republic of China (Beijing) 8 September 2016. Access Date: 3 January 2017.

http://www.fmprc.gov.cn/mfa_eng/topics_665678/LKQCXDYH2LDRXLHYBDLWJXZSFW/t1396780.shtml

¹⁰⁷⁹ Indonesia reportedly making sweeping changes to live cattle trade. 26 September 2016. Access Date: 22 January 2017. <http://www.abc.net.au/news/2016-09-27/indonesia-scraps-cattle-quotas-but-introduces-breeder-protocol/7879784>

¹⁰⁸⁰ Indonesia may abolish licenses for food commodity imports - government official. 25 October 2016. Access Date: 22 January 2017. <http://www.agriculture.com/markets/newswire/indonesia-may-abolish-licenses-for-food-commodity-imports-govt-official>

Indonesia has not introduced new protectionist measures, however measures have not been rolled back. Thus, Indonesia receives a score of 0.

Analyst: Ahmed Hasan

Italy: 0

Italy has partially complied with its commitment to rollback and eliminate protectionist measures and promote free trade.

On 18 January 2017, Foreign Affairs Secretary Perfecto Yasay Jr of the Philippines, and Italian Foreign Minister Angelino Alfano met to strengthen the Philippines-Italy Memorandum of Understanding (MOU). They aim to further strengthen Italy-Philippines trade relations. “We would like to pursue more trade and investments cooperation with Italy. Philippine-Italian trade has been increasing through the years, but it still has not reached its full potential,” said Secretary Yasay.¹⁰⁸²

Italy has not implemented new protectionist measures, however it has not rolled back existing ones. Thus, Italy has been awarded a score of 0.

Analyst: Tanzeel Fatima

Japan: 0

Japan has partially complied with its commitment to further free-trade and roll back protectionist policies.

Japan has not introduced any new protectionist measures, nor has it rolled back any existing protectionist policies. Thus, Japan receives a score of 0.

Analyst: Bryan Roh

Korea: +1

Korea has fully complied with its commitment to further free-trade by eliminating protectionist measures not introducing any new ones.

On 8 September 2016, President Park Geun-hye held talks with Indian President Narendra Modi in Vientiane, Laos to deepen bilateral economic ties. Both sides agreed to continue to advance talks on improving the Comprehensive Economic Partnership Agreement (CEPA), a free trade agreement (FTA) between Korea and India which came into effect in 2010. Park emphasized the importance of further promoting free trade and market opening in a time of global economic slowdown and rising trade protectionism. In particular, Park requested to Modi that India help address the issues Korean businesses encountered with India’s import regulations in the steel and chemical sectors. Modi also shared Korea’s concern with increasing protectionism across the globe and the need to improve CEPA.¹⁰⁸³

On 16 November 2016, Korean Minister of Trade, Industry and Energy Joo Hyung-hwan met with the trade ministers of Costa Rica, Honduras, Guatemala, El Salvador, Panama, and Nicaragua to

¹⁰⁸¹ Indonesian trade minister talks of opening gate to live cattle from Brazil, Mexico, and Spain. 15 November 2016. Access Date: 22 January 2017. <http://www.abc.net.au/news/2016-11-16/indonesia-willing-to-import-cattle-from-brazil-mexico-and-spain/8024500>

¹⁰⁸² Philippines, Italy establish mechanism to strengthen partnership 20 January 2017. Access Date: 20 January 2017. <http://www.update.ph/2017/01/philippines-italy-establish-mechanism-to-strengthen-partnership/13415>

¹⁰⁸³ Korea and India share views on accelerating CEPA improvement talks, Korean Culture and Information Service (Sejong) 8 September 2016. Access Date: 12 October 2016. <http://www.korea.net/NewsFocus/policies/view?articleId=140487>

conclude the final terms to the Korea-Central America FTA. “The free trade deals will help extend the trade and investment volume between Korean firms, including small and medium-sized enterprises, and our Central American partners,” stated Hyung-hwan.¹⁰⁸⁴ Specifically, all parties agreed to eliminate approximately 95 per cent of goods made in each country within a time span of ten years after the FTA takes effect. The FTA will open sectors in Central American markets that Korea prominently exports out such as automobiles, cosmetics, pharmaceuticals and home appliances. In return, the FTA will require Korea to eliminate tariffs on certain Central American exports such as coffee, raw sugar and tropical fruits within a seven year time frame.¹⁰⁸⁵

Korea rolled back existing protectionist policies, and has not implemented new ones. Thus, Korea receives a score of +1.

Analyst: Bryan Roh

Mexico: +1

Mexico has fully complied with its commitment to standstill and rollback on protectionist measures.

On 8 December 2016, Bancomext CEO Alejandro Díaz de León and Bancóldex President Luis Fernando Castro led talks at the “Mexico-Colombia Business Meeting: Opening New Markets.” Inspired by the desire to expand bilateral trade and investment between the two countries, Bancomext and Bancóldex successfully financed, co-financed, and guaranteed investment projects while securing credit support developed to promote the import and export of trade goods and services.¹⁰⁸⁶

On 26 December 2016, Mexico’s Secretariat of Economy published in the Federal Register a report outlining the maximum quota allotment of sugar exports to the United States for the 2016 and 2017 sugar cycle. The figure of 870,688.94 metric tons represents an 11 per cent decrease in said quota compared to the 2015 and 2016 cycle.¹⁰⁸⁷

Mexico rolled back existing protectionist measures, and has not implemented new ones. Thus, Mexico receives a score of +1.

Analyst: Patrick Downey

Russia: +1

Russia has fully complied with its commitment to standstill or rollback protectionist measures.

On 26 September 2016 of the Russian Government decided to temporary abolish the export duties on wheat. It will remain in force from 23 September 2016 to 1 July 2018. Previously, the applied general export duty with respect to this particular tariff line was 50 per cent minus RUB6,500 per tonne but not less than RUB10 per tonne.¹⁰⁸⁸

¹⁰⁸⁴ Korea, 6 Central American nations sign FTA, Korean Culture and Information Service (Sejong) 21 November 2016. Access Date: 3 January 2017. <http://www.korea.net/NewsFocus/policies/view?articleId=142218&pageIndex=6>

¹⁰⁸⁵ Korea, 6 Central American nations sign FTA, Korean Culture and Information Service (Sejong) 21 November 2016. Access Date: 3 January 2017. <http://www.korea.net/NewsFocus/policies/view?articleId=142218&pageIndex=6>

¹⁰⁸⁶ Bancomext and Bancoldex of Colombia hold a meeting to boost investment and trade, Bancomext 8 December 2016. Date of Access: January 11, 2017. <http://www.bancomext.com/comunicados/15445>.

¹⁰⁸⁷ Mexico: Mexico Announces Maximum Sugar Export Quota to the United States, United States Department of Agriculture 12 January 2017. Date of Access: 15 January 2017. <https://www.fas.usda.gov/data/mexico-mexico-announces-maximum-sugar-export-quota-united-states>.

¹⁰⁸⁸ Russian Federation: Temporary Cancelled Export Duty on a Certain Type of Wheat, Global Trade Alert 14 Oct 2016. <http://www.globaltradealert.org/measure/russian-federation-temporary-cancelled-export-duty-certain-type-wheat>

From 1 October 2016, Decree No. 1069 of the Russian Federation removed Value Added Tax (VAT) from the import and sales of certain breeding animals.¹⁰⁸⁹

On 11 October 2016, the Russian Federation partially lifted a ban on imported fruit from Turkey, while further restrictions are to be lifted in stages following safety checks.¹⁰⁹⁰

On 20 October 2016, the Russian Government decided to exempt from the payment of Value Added Tax (VAT) as of 1 October 2016 the imports and sales of certain breeding animals (cattle, pigs, sheep, goats, horses, etc.) and abolished previously applied a 10 per cent VAT rate.¹⁰⁹¹

On 11 November 2016, the Eurasian Economic Commission eliminated import customs for industrial fatty alcohols, terephthalic acid and its salts, knitted or crocheted fabric and tannage.¹⁰⁹²

On 22 November 2016, the Russian Federation signed an agreement with Syria to establish a free trade zone for agricultural products.¹⁰⁹³

Russia has rolled back existing protectionist measures as well as refrained from implementing new ones. Thus, the Russian Federation receives a score of +1.

Analysts: Dillon Aube & Mark Rakhmangulov

Saudi Arabia: -1

Saudi Arabia has not complied with its commitments to standstill and rollback on protectionist measures.

On 2 October 2016, an increase of immigration fees across several visa categories came into effect. A single entry visa now costs USD533, an increase from the previous fee of USD93. A multiple entry, six-month visa will cost USD800 and a one-year visa will cost USD1333. The revised visa fees affect all tourists, religious or business visitors, but exempts those traveling for the first time to perform the annual Hajj pilgrimage or the lesser, non-mandatory pilgrimage known as the Umrah.

In November 2016, Saudi Arabian and Ethiopian ministers met to discuss further partnerships. Saudi Arabian Minister of Agriculture Abdul Rahman bin Abdul Mohsen Al-Fadhli, held talks with Prime Minister Hailemaraim, on ways of bolstering Saudi investors involvement in the agriculture and livestock sectors of Ethiopia. The priority areas of engagement for Saudi investors are crop farming, livestock, energy and mining.¹⁰⁹⁴ While reducing its reliance on oil Saudi Arabia is looking to invest more in these areas.

¹⁰⁸⁹ Russian Federation: Exempted from payment of VAT imports and sales of breeding animals. Global Trade Alert. 24 Oct, 2016. Accessed: January 18, 2017. <http://www.globaltradealert.org/measure/russian-federation-exempted-payment-vat-imports-and-sales-breeding-animals>

¹⁰⁹⁰ Russia partially lifts ban on fruit imports from Turkey, RT Today, 11 October, 2016. Accessed: January 19, 2017. <https://www.rt.com/business/362371-turkish-food-russia-ban/>

¹⁰⁹¹ Russian Federation: Exempted from payment of VAT imports and sales of breeding animals, Global Trade Alert 24 October 2016. <http://www.globaltradealert.org/measure/russian-federation-exempted-payment-vat-imports-and-sales-breeding-animals>

¹⁰⁹² The EEC has lowered duties on four types of raw materials for light industry development. Eurasian Economic Commission, News and Events., November 11, 2016. Accessed: January 19, 2017. <http://www.eurasiancommission.org/en/nae/news/Pages/01-12-2016-5.aspx>

¹⁰⁹³ Russia sets up free trade zone with Syria, Russia Today, 22 November 2016. <https://www.rt.com/business/367810-russia-syria-free-trade-deal/>

¹⁰⁹⁴ Ethiopia: Ethio-Saudi Relations On Rise - Ministry 10 January 2017. Date of Access 19 January 2017. <http://allafrica.com/stories/201701100581.html>

Saudi Arabia has not rolled back existing protectionist measures and has implemented new ones. Thus, Saudi Arabia receives a score of -1.

Analyst: Tanzeel Fatima

South Africa: 0

South Africa has partially complied with its commitment to standstill and rollback on protectionist measures.

On 16 September 2016 South Africa temporarily reduced import tariffs on cane and beet sugar (HS 1701.12; 1701.13; 1701.14; 1701.91; 1701.99) to R 31.89 c/kg. This represents a further reduction from an earlier measure effective as of 5 August 2016.¹⁰⁹⁵

On 27 October 2016, South Africa completed all administrative processes necessary for the implementation of a preferential trade agreement between the Southern African Customs Union (SACU) and the Common Market of the South. As a result, South Africa implemented the agreement retroactively from the date of the agreement's entry into force on 1 April 2016.¹⁰⁹⁶

On 2 November 2016, the European Union and South Africa each submitted the necessary notifications pertaining to the protection of their respective geographical indicators in accordance with protocol three of the SACU-EU Economic Partnership Agreement (EPA). The move indicates new market access for each party which became effective on 1 November 2016 under the SACU-EU EPA.¹⁰⁹⁷

On 2 December 2016, the South African Revenue Service applied a 5 per cent import tariff on sweet corn, and a 20 per cent import tariff on mango juice.¹⁰⁹⁸

On 11 January 2017, President Jacob Zuma signed the Tax Administration Laws Amendment Act, 2016 bill into law. Inter alia, the bill amends the Customs and Excise Tax Act, 1962, streamlining the scope of provisions relating to special economic zones and further aligning terminology used in the Special Economic Zones Act, 2014.¹⁰⁹⁹

South Africa has rolled back existing protectionist measures, however has also implemented new ones. Thus, South Africa receives a score of 0.

Analyst: Patrick Downey

Turkey: 0

Turkey has partially complied with its commitments to standstill and rollback on protectionist measures.

¹⁰⁹⁵ WTO Report on G-20 Trade Measures (mid-May 2016 to mid-October 2016), Annex 1, World Trade Organization 10 November 2016. Date of Access: 30 January 2017.

https://www.wto.org/english/news_e/news16_e/g20_wto_report_november16_e.pdf.

¹⁰⁹⁶ Trade and Industry on implementation of SACU and MERCOSUR Preferential Trade Agreement, South African Government 27 October 2016. Date of Access: 13 January 2017. <http://www.gov.za/speeches/trade-and-industry-implementation-sacu-and-mercosur-preferential-trade-agreement-27-oct>

¹⁰⁹⁷ Trade and Industry on Protection of Geographical Indications, South African Government 2 November 2016. Date of Access: 13 January 2017. <http://www.gov.za/speeches/geographical-indications-2-nov-2016-0000>.

¹⁰⁹⁸ Annex: Customs And Excise Act, 1964. Amendment Of Schedule No. 1, South African Revenue Service 2 December 2016. Date of Access: 13 January 2016. LAPD-LSec-CE-TA-2016-56c - Notice R1471 GG 40460 2 December 2016.pdf.

¹⁰⁹⁹ President Jacob Zuma signs ten Bills into law, South African Government 11 January 2017. Date of Access: 13 January 2017. <http://www.gov.za/speeches/bills-law-11-jan-2017-0000>.

On 7 September 2016, Turkey increased import tariffs to 21.8 per cent on new pneumatic types of rubber.¹¹⁰⁰

On 22 September 2016, Deputy Chairman of the Kazakhstan Customs Administration Gosman AMRIN and Undersecretary of the Ministry of Customs and Trade of the Republic of Turkey Cenap AŞCI formalized bilateral discussions with an agreement on finalizing negotiations of existing agreements between the two customs authorities.¹¹⁰¹

On 10 November 2016, Turkey's Deputy Prime Minister Mehmet Simsek and Qatar's Economy and Trade Minister Sheikh Ahmed Bin Jassim Al Thani signed a memorandum of understanding, recognizing cooperation between the two states in development of political and economic relations.¹¹⁰² Topics included cooperation on fair and free trade zones; parties expected significantly increased bilateral trade volume as a result of the agreement.¹¹⁰³

On 11 November 2016, Turkey's Minister of Customs and Trade Bülent TUFENKCI and Belarus's Chairman of the State Customs Committee Yuri Senko signed an Agreement on a Mutual Trade Promotion System. The agreement aims to reduce customs clearance time by streamlining procedures via information exchange pertaining to the movement of goods and vehicles between the two customs authorities.¹¹⁰⁴

On 18 December 2016, Turkey's Minister of Customs and Trade Bülent TUFENKCI and Qatar's Minister of Finance Ali Sherif AL-EMADI signed the Agreement on Co-Operations and Mutual Assistance in Customs Matters between the Government of the Republic of Turkey and the Government of the State of Qatar. Parties will act to enforce customs legislation while ensuring accurate collection of import and export duties, taxes, and other trade-related charges through the combined efforts of the two customs authorities.¹¹⁰⁵

Turkey has expanded free trade however also implemented protectionist measures. Thus, Turkey receives a score of 0.

Analyst: Patrick Downey

United Kingdom: 0

The UK has partially complied with its commitments to standstill and rollback on protectionist measures.

¹¹⁰⁰ WTO Report on G-20 Trade Measures (mid-May 2016 to mid-October 2016), Annex 1, World Trade Organization 10 November 2016. Date of Access: 30 January 2017.

https://www.wto.org/english/news_e/news16_e/g20_wto_report_november16_e.pdf.

¹¹⁰¹ Visit of Kazakhstan Customs Administration, Republic of Turkey Ministry of Customs and Trade (Ankara) 29 December 2016. Date of Access: 12 January 2017. <http://english.gtb.gov.tr/news/visit-of-kazakhstan-customs-administration>.

¹¹⁰² Qatar and Turkey finalise financial trade deal, Middle East Monitor 11 November 2016. Access Date: 13 November 2016. <https://www.middleeastmonitor.com/20161111-qatar-and-turkey-finalise-financial-trade-deal/>?

¹¹⁰³ Qatar and Turkey finalise financial trade deal, Middle East Monitor 11 November 2016. Access Date: 13 November 2016. <https://www.middleeastmonitor.com/20161111-qatar-and-turkey-finalise-financial-trade-deal/>?

¹¹⁰⁴ Mutual Trade Promotion System between Turkey and Belarus, Republic of Turkey Ministry of Customs and Trade (Belarus) 11 November 2016. Date of Access: 12 January 2016. <http://english.gtb.gov.tr/news/mutual-trade-promotion-system-between-turkey-and-belarus>.

¹¹⁰⁵ The 2nd Turkey-Qatar Supreme Strategic Committee Meeting, Republic of Turkey Ministry of Customs and Trade (Trabzon) 23 December 2016. Date of Access: 12 January 2017. <http://english.gtb.gov.tr/news/the-2nd-turkeyqatar-supreme-strategic-committee-meeting>.

On 6 September 2016, Secretary of State for International Trade of the UK Liam Fox and Australian Minister for Trade, Tourism and Investment Steven Ciobo announced in a joint statement the establishment of a bilateral trade working group to begin meeting twice annually in an effort to establish parameters for a future Australia-UK free trade agreement.¹¹⁰⁶

On 10 November 2016, Turkish Economy Minister Nihat Zeybekci confirmed to a parliamentary commission in Ankara that a “wide-ranging trade agreement with Britain” would come into effect after it finalizes its exit from the European Union.¹¹⁰⁷

On 11 November 2016, UK Minister for Asia Pacific met with senior ministers in New Zealand to discuss the requirements for a formal free trade deal to be put in place after negotiations are finalized for leaving the European Union.¹¹⁰⁸

The United Kingdom has not implemented new protectionist measures, however has not rolled back existing ones. Thus, the United Kingdom receives a score of 0.

Analyst: Dillon Aube

United States: 0

The United States has partially complied with the commitment to rollback protectionist measures.

On 30 September 2016, the Federal Communications Commission simplified foreign ownership filing for broadcast licensees in the United States. The change provides an extension of rules for foreign ownership review designed for common carriers and aeronautical licensees to broadcast licenses.¹¹⁰⁹ This liberalizes investment through simplified indirect foreign ownership in the sector.

On 12 December 2016, the Federal Transit Administration waived Buy America requirements for different products. This included a Greater Dayton Transit Authority request for the purchase of radio consoles from Mexico.¹¹¹⁰ The Port Authority of New York also had the Buy America requirements waived for the procurement of equipment to replace damages from Hurricane Sandy in 2012.¹¹¹¹

On 16 December 2016, the Water Infrastructure Improvements for the Nation Act (WIIN Act) became public law in the United States Senate.¹¹¹² The WIIN Act includes provisions for the Buy

¹¹⁰⁶ <https://www.gov.uk/government/speeches/launch-of-the-world-trade-report-2016-inclusive-trade-and-smes>

¹¹⁰⁷ Turkey says agreed to ‘wide-ranging’ trade deal with Britain once it leave EU. Reuters. Nov 10, 2016. Access: Nov 10, 2016. <http://www.reuters.com/article/us-turkey-britain-trade-idUSKBN1350YW?il=0>

¹¹⁰⁸ UK minister in NZ for free trade discussions. RNZ Nov 11, 2016. Access: Nov 11, 2016

<http://www.radionz.co.nz/news/political/317882/uk-minister-in-nz-for-free-trade-discussion>

¹¹⁰⁹ Sixteenth Report on G20 Investment Measures, OECD. 10 November 2016. Access Date: 28 November 2016.

https://www.wto.org/english/news_e/news16_e/g20_oecd_unctad_report_november16_e.pdf

¹¹¹⁰ United States of America: Federal Transit Administration waives American requirements for radio consoles, Global Trade Alert. 11 December 2016. Access Date: January 19, 2017. <http://www.globaltradealert.org/measure/united-states-america-federal-transit-administration-waiver-buy-american-requirements-radio->

¹¹¹¹ United States of America: Federal Transit Administration waiver of requirements for replacement equipment following Hurricane Sandy, Global Trade Alert. 11 December 2016. Access Date: January 19, 2017.

<http://www.globaltradealert.org/measure/united-states-america-federal-transit-administration-waiver-buy-american-requirements-repl-0>

¹¹¹² S.612 - WIIN Act, 114th Congress. 16 December 2016. Access Date: January 19, 2017.

<https://www.congress.gov/bill/114th-congress/senate-bill/612/text>

America policy in section 2114, stating State loan funds can only be allocated to projects if iron and steel products are produced in the United States.¹¹¹³

On 23 January 2017, President Donald Trump, signed an executive order formally withdrawing the country from the Trans-Pacific Partnership (TPP) free trade agreement. The TPP had not been approved by Congress, however the executive order rolled back extensive negotiations that culminated in late 2015 with the endorsement of the 12 nations' trade chiefs.¹¹¹⁴

On 23 January 2017, President Donald Trump delayed implementation of a rule allowing Argentine farmers to export lemons after a decade of talks, putting into doubt trade negotiations between the two countries. The White House ordered a stay of 60 days "on its final rule to allow the importation of fresh lemon fruit from northwest Argentina," the Animal and Plant Health Inspection Service said on its website.¹¹¹⁵

The US has rolled back existing protectionist measures, however has also implemented new ones. Thus, the United States receives a score of 0.

Analyst: Alessandra Jenkins

European Union: +1

The European Union has fully complied with its commitments to standstill and rollback on protectionist measures.

On 30 October 2016, the Comprehensive Economic and Trade Agreement (CETA) was signed at the EU-Canada Summit. The free trade agreement will "remove customs duties, end restrictions on access to public contracts, open-up the services market, offer better conditions for investors and help prevent illegal copying of EU innovations and traditional products."¹¹¹⁶

On 6 November 2017, the a new licence regime for agricultural products came into effect for the European Union, simplifying and standardizing procedures for obtaining import-export licences.¹¹¹⁷

On November 15 2016, Indonesia was added to the list of eligible countries in the EU Forest Law Enforcement, Governance and Trade Regulation, allowing for the exports of some previously restricted timbers to now be allowed into the European Union.¹¹¹⁸

¹¹¹³ United States of America: Buy-American provisions in bill. Global Trade Alert. 15 December 2016. Access Date: January 19, 2017. <http://www.globaltradealert.org/measure/united-states-america-buy-american-provisions-water-projects-bill>

¹¹¹⁴ What Is TPP? Behind the Trans-Pacific Partnership Trade Deal That Died, New York Times 23 January 2017. Access Date: 24 January 2017. <https://www.nytimes.com/interactive/2016/business/tpp-explained-what-is-trans-pacific-partnership.html>

¹¹¹⁵ Trump Imperils Argentine Trade Talks as Lemon Deal Stalls, Bloomberg 23 January 2017. Access Date: 24 January 2017. <https://www.bloomberg.com/news/articles/2017-01-23/trump-white-house-orders-60-day-delay-on-argentine-lemon-exports>

¹¹¹⁶ Comprehensive Economic and Trade Agreement (CETA). European Commission, Trade. Oct 30, 2016. Access: Nov 4, 2016. <http://ec.europa.eu/trade/policy/in-focus/ceta/>

¹¹¹⁷ EC: New import and export license regime for agricultural products. Global Trade Alert. 18 May 2016. Accessed: January 3, 2017. <http://www.globaltradealert.org/measure/ec-new-import-and-export-license-regime-agricultural-products>

¹¹¹⁸ EC: Allowed Indonesian licenses for timber exports. Global Trade Alert. 31 August, 2016. Accessed: January 3, 2017. <http://www.globaltradealert.org/measure/ec-allowed-indonesian-licenses-timber-exports>

On 1 December 2016, the European Parliament voted in favor of the interim Economic Partnership Agreement between the EU and Ghana. The agreement guarantees Ghanaian exporters duty-free and quota free access.¹¹¹⁹

On 14 December 2016, the European Parliament voted for Ecuador's inclusion to trade agreements in force with Peru and Colombia. The agreement will eliminate tariffs for all industrial and fisheries products, increase market access, and further reduce technical barriers to trade, while continuing to provide Ecuador with preferential access to the EU market.¹¹²⁰

The EU has rolled back existing protectionist measures while also not implementing new ones. Thus the EU receives a score of +1.

Analyst: Dillon Aube

¹¹¹⁹ Malmstrom welcomes parliamentary vote on Ghana agreement. European Commission Press Release Database Nov 11, 2016. Accessed Date: Jan 5, 2017.

¹¹²⁰ MEP's back trade deal with Ecuador. European Parliament News. Dec 14, 2016. Access Date Jan 8, 2017. <http://www.europarl.europa.eu/news/en/news-room/20161209IPR55467/meps-back-trade-deal-with-ecuador>