New Direction
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PROF. DR. SIMON J. EVENETT

PAPER TIGER?

EU TRADE ENFORCEMENT AS IF BINDING PACTS MATTERED

EUROZONE, FINANCE AND ECONOMY €

NEW DIRECTION
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International trade is an essential component of the single market, offering significant rewards for European exporters. With the implementation of the Lisbon Treaty in 2009, such trade became the exclusive responsibility of the EU. The European Commission is therefore responsible for negotiating all external trade deals on behalf of the 28 member states.

The simple aim of any trade agreement is to make trade easier. The elimination of barriers, whether in the form of tariffs & taxes, custom rules or compliance and conformity issues is therefore at the heart of any trade deal. Whether negotiated multilaterally (through the World Trade Organisation), or bilaterally (under the direction of the EU), trade deals can open to European companies markets previously closed or challenging.

However, the benefits that can flow from such agreements are realised only if the rules agreed are fully implemented and enforced by all concerned. Despite concluding 30 free trade agreements, the European Commission's record on enforcement has been patchy at best. The true value of a free trade agreement can only be realised if the rules are implemented correctly and enforced fairly.

In this therefore timely that Simon Evenett has conducted an investigation for New Direction into how EU trade enforcement has evolved with time, assesses the current state of play and makes clear recommendations for the future.

I hope that this report will be a useful tool both in raising awareness of the importance of enforcing trade agreements in general and of particular importance to the ongoing negotiations on the EU/US free trade agreement (TTIP).

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LIST OF ACRONYMS

AB	Appelate Body [of the WTO]
BE	Belgium
BIS	Bureau of Indian Standards
BSE	Bovine Spongiform Encephalopathy
CARICOM	Caribbean Community and Common Market
CEEV	Comité Européen des Entreprises Vins
CEPR	Centre of Economic Policy Research
CET	Common External Tariff
CVD	Countervailing Duties
DE	Germany
DG	Directorate-General
DS	Dispute Settlement
DS488	Refers to case 488 before the WTO DSB
DSB	WTO Dispute Settlement Body
DSU	WTO Dispute Settlement Understanding
EAEC	Eurasian Economic Community
EC	European Commission
EFPIA	European Federation of Pharmaceutical Industries and Associations
EOS	Egyptian Organisation of Standards
ES	Spain
EU	European Union
EU28	28 Member States of the European Union
FAO	Food and Agriculture Organization
FDI	Foreign Direct Investment
FSSAI	Food Safety and Standards Authority of India
FTA	Free Trade Agreement
GCC	Gulf Cooperation Council
GPA	WTO Agreement on Government Procurement
GPS	Global Positioning System
GSP	Generalised System of Preferences
GTA	Global Trade Alert
IATA	International Air Transport Association
ICT	Information and Communication Technology
IL	Israel
IMF	International Monetary Fund
IP	Intellectual property
IPR	Intellectual property rights
IS	Indian Standard
IT	Information Technology
ITAC	International Trade Administration Commission of South Africa
MAAC	Market Access Advisory Committee
MADB	Market Access Database
MAP	Market Access Partnership
MAS	Market Access Strategy
MAT	Market Access Teams
MAWG	Market Access Working Groups
MERCOSUR	Southern Common Market
MS	Member States
NTBs	Non-Tariff Barriers
NZ	New Zealand
OECD	Organisation for Economic Co-operation and Development
OLS	Ordinary Least Squares estimation method
OSCCA	Office of the State Commercial Cryptography Adminstration
PRA	Pest Risk Assessment
PTA	Terephthalic Acid
PVC	Polyvinyl Chloride
R&D	Research and development
RTA	Regional Trade Agreement
SME	Small and Medium-sized Entreprise
SPS	Sanitary and Phytosanitary barriers
TBR	Trade Barriers Regulation
TBT	Technical Barrier to Trade
TDI	Trade Defence Instruments
TIBR	Trade and Investments Barriers Report
TTIP	Transatlantic Trade and Investment Partnership
UA	Ukraine
UK	United Kingdom
US	United States
US DOC	United States Department of Commerce
US ITC	United States International Trade Commission
USA	United States of America
USD	United Stated Dollars
VAT	Value-Added Tax
WIPO	World Intellectual Property Organization
WTO	World Trade Organization

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EU TRADE ENFORCEMENT AS IF BINDING PACTS MATTERED

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The purpose of this report is to critically evaluate the manner in which the European Commission (EC) enforces binding trade deals, bearing in mind that such enforcement widens the base of European support for further trade reform. This report breaks new ground by assembling a dataset of 260 success stories that the Directorate-General for Trade (DG Trade) has touted as well as by evaluating the 381 entries in the Market Access Database in December 2015. In so doing, this Report sheds light on both the operation of the revised Market Access Partnership and the trade distortions faced by European traders that DG Trade has yet to secure the removal of.

The principal findings concerning EC trade enforcement since 2008 include:

- ***At present, within two years of being notified DG Trade aims to tackle 20% of foreign trade distortions, an unambitious target.***
- ***For the last three years for which data is available, DG Trade claims to have dealt with 20 foreign trade distortions per year on average, less than 10% of the annual total number of hits to EU commercial interests by third parties.***
- ***Half of DG Trade's success stories involve foreign trade distortions where EU exports are reported to be no more than €63 million.***
- ***DG Trade has not been able to tackle more foreign trade distortions in trading partners with which the EU has or is negotiating a RTA or where WTO accession was underway. Still, the EU claims to have removed foreign trade distortions more often in trading partners that have imposed more crisis-era protectionism.***
- ***Since 2011 there has been a substantial drop in the number of new foreign trade distortions recorded in the Market Access Database.***
- ***The percentage of outstanding trade distortions imposed by the USA that frustrate European business rose from 6% in 2009 to 15% to 2015.***

In light of these, and other findings, the case is made here for strengthening EU trade enforcement. Fourteen steps to enhance the transparency, automaticity, sanctions, and, therefore, the credibility of the EU's trade enforcement system are identified.

While talking tough on trade enforcement may have considerable political appeal, attempts to frame reform as a technical issue are misleading. Any debate about strengthening the EU's trade enforcement regime should acknowledge the deeper policy choices being made.

The key choice relates to preferences towards open borders. For those predisposed towards open borders, the realisation that a tougher EU trade enforcement regime will likely mean, at least in the short run, that more sanctions will be imposed on trading partners is not a comfortable one. But this is the price of the EU gaining credibility with foreign governments on trade enforcement.

A commitment to a stronger regime of EU trade enforcement will almost surely invite greater scrutiny of European policies by trading partners. In turn, this may result in more sanctions being imposed on European firms unless EU member states eschew discrimination against foreign commercial interests. Those more sceptical of the benefits of open borders may not be prepared to forgo such discrimination, thereby raising the price of tougher EU trade enforcement.

> ***"Negotiating trade rules is worth little if they are not enforced.***
>
> - Jean-Luc Demarty, Director General, DG Trade in Management Plan 2015

> ***"The EU must ensure that its partners play by the rules and respect their commitments. This is an economic as well as a political imperative.***
>
> - Trade for all: Towards a more responsible trade and investment policy, 2015.

1. INTRODUCTION

Since the adoption of the Global Europe Communication in 2006 the European Union (EU) has sought to negotiate regional trade agreements with a growing number of trading partners. This has culminated in the EU's participation in at least one mega-regional trade negotiation, the Trans-Atlantic Trade and Investment Partnership, as well as trade talks with the world's third largest economy, Japan. Along the way a number of significant regional trade agreements have been signed, notably with Canada and Korea.

Such regional trade agreements, coming on top of existing multilateral trade accords and the EU's extensive Generalised System of Preferences, create obligations for the EU's trading partners, compliance with which may be commercially significant for EU firms and their employees. A precondition for these corporate interests to support EU trade deals, in particular at a time of civil society revolt against certain features of regional trade agreements, is that foreign trading partners that sign such deals live up to their obligations. This is one important reason why monitoring and enforcement of trade deals matters. [1]

The purpose of this report is to critically evaluate the manner in which the European Commission (EC), acting alone and with the Member States, enforces binding trade deals. This report breaks new ground by assembling a dataset of 260 success stories that the Directorate-General for Trade (DG Trade) has touted as well as evaluating the 381 entries in the Market Access Database in December 2015. In so doing, this Report sheds light on both the operation of the revised Market Access Partnership and the trade distortions faced by European traders that DG Trade has yet to secure the removal of.

Ultimately the goal of this report is to make recommendations concerning the strengthening the EC's enforcement of trade deals. This is not such a straightforward matter as the principal stick—sanctions—is double-edged and can invite retaliation. Consideration is also given to carrots, in particular in relation to the negotiation of new or upgraded regional trade agreements. The matter of resources available to DG Trade for enforcement purposes is considered as well.

The remainder of this report is organised as follows. Section 2 discusses further why enforcement of trade deals matters. Following that, an overview of EC's approach to enforcement is provided. In section 4 evidence on the success stories that DG Trade mentions in its many reports is summarised and assessed. DG Trade's resort to the Dispute Settlement Understanding (DSU) of the World Trade Organization (WTO) is also described there. In section 5 information on the trade distortions still facing European business is provided, as this gives a sense of the challenges that, to date, DG Trade may not have been so effective in dealing with. An assessment of evidence presented follows in section 6. Consideration of the pros and cons of alternative enforcement tools is provided in the next section. Concluding remarks can be found in section 8.

This report is accompanied by extensive Appendix tables that document the wide range of matters where DG Trade, other parts of the European Commission, EU Delegations abroad, and the Member States have intervened since 2007 on behalf of European commercial interests operating in foreign markets. These tables also indicate the actions that European officials claim to have taken, the response of the trading partner and, where available, the amount of international commerce at stake.

1. Followers of American trade politics will see direct—and intended—parallels. In this regard it is worth noting that the US Congress passed in 2015 the Trade Facilitation and Trade Enforcement Act. See https://www.congress.gov/bill/114th-congress/house-bill/644

2. WHY TRADE ENFORCEMENT MATTERS

There are several reasons why enforcing trade deals matter—generating incentives for compliance, upholding the integrity of legally binding acts etc. However, a particularly practical reason is that, during an era when open borders are under threat and when some elements of civil society have taken strong stands against certain elements of trade deals, every reasonable step must be taken to maximise the constituency in favour of active engagement with the global economy.

In this respect an important part of that constituency in the EU are firms engaged in international commerce. Addressing the trade barriers that they face in foreign markets gives these firms and their staff a stake in EU trade policy. As the following letters [2] to the European Commissioner for Trade, Mrs Cecilia Malmström, make clear there is no shortage of work to be done.

On 12 November 2014 board members of Pernod Ricard, which employs 18,000 people, wrote to the Commissioner highlighting the importance of access to emerging markets for their company's growth prospects. They also argued:

> **Equally important to concluding trade agreements is to secure strict enforcement of those already in place. Creating new multilateral trade rules has proved to be challenging. However existing international trade rules and WTO dispute settlement are still efficient and indispensable: they should be used therefore without hesitation.**

> **Finally, as an industry, we see regular attempts to implement new trade restrictions, be it graphical health warnings in Thailand or discriminatory fiscal policies in Latin American countries. We would like to encourage you to give an early response to such initiatives before these measures are implemented: bad examples are easily followed by others and not easily removed once in place (Letter 1).**

The Commissioner, thus, was asked to act in advance of—not only after—the implementation of a foreign trade distortion.

The European Fresh Produce Association, freshfel, laid out its concerns with foreign trade distortions in a letter to the Commissioner on 18 December 2014:

> **The biggest market access issue for European fruit and vegetables consists in excessive, burdensome, and costly phytosanitary barriers imposed by third countries. Those requirements sharply contrast with the conditions encountered by these partners when exporting fruit and vegetables to the EU, leading to an appalling lack of reciprocity in trade conditions…**

> **Many of these market access hurdles for EU exporters are encountered when trading with countries enjoying a bilateral free trade agreement with the EU. Previous experiences of bilateral agreement with Mexico, Chile, South Africa, South Korea, Peru, Tunisia, Israel, or Turkey have been quite desolate for the EU sector and leading to the same scenarios. EU concessions lead to better development of EU fresh produce imports, while concessions obtained by the EU do not allow business to even start accessing the markets of partner countries, leave alone becoming more competitive on these markets (Letter 2).**

As will become clear sanitary and phytosanitary barriers (SPS) are a staple of EU enforcement efforts. The comments made concerning the limited value of previously signed regional trade agreements were followed by demands for a tougher approach to negotiating SPS matters in the future.

Trade defence actions taken by foreign governments against European exports frequently lead to calls for assistance from business associations. A recent example is contained in a letter from the Director General of the Confederation of European Paper Industries, dated 31 August 2015:

> **The European Pulp and Paper industry now has over 1 Billion Euro of export value at risk of unjustified trade defence measures by foreign countries. But it is not only that. Banned volumes from non-European producers around the world do not disappear but are redirected to other markets, causing increased competition for our sector in these markets and increased pressure on our domestic EU markets at the same time…**

> **The very recent US measures against paper imports are the latest questionable challenge to free trade. After receiving enormous tax breaks in the last years, US paper industry now requests trade defence measures to keep foreign imports off their markets. Anti-dumping investigations have been initiated by the US authorities against imports from various countries, including 145 million Euro of export value from Portugal…**

> **We need your active political support to defend European industry, starting with clear opposition to the US measures. We ask you for strong support by the EU missions, especially in Washington… In addition we ask you to add resources and increase support for the team in DG TRADE handling these files (Letter 3).**

2. Correspondence with Commissioner Malmström is available on the DG Trade website. That source was used to find the letters quoted in this section.

European business associations bring other trade distortions to the attention of DG Trade and expect action to be taken. An example is contained in a 13 July 2015 letter from the Director General of Spirits Europe to Mrs Malmström and concerns measures taken by Colombia. It is noteworthy that this industry group makes clear what, commercially speaking, is at stake:

> **Colombia is a priority market for the EU spirits sector and the largest market in the Andean Community. European spirits exports to Colombia have doubled over the past 10 years to reach €41.2 million in 2014. Colombia nevertheless remains a challenging market and its full potential has yet to be unleashed: a number of barriers that we believe contravene Colombia's WTO obligations and FTA commitments to the EU continue to limit European spirit exporters. If these barriers were to be addressed, our evidence suggests that the economic value of the Colombian market for EU spirits exporters could increase over time from €204 million to in excess of €300 million...**

> **Notwithstanding indications from the national government that they intend to propose new legislation in the aftermath of the October 2015 elections, we believe that recourse to the dispute settlement provisions is the only viable route to reach a solution (Letter 4).**

The letter did not make clear whether the dispute settlement provisions to be used were those in the EU-Colombia regional trade agreement or those of the WTO.

Restrictions on exports are also a cause for concern for firms operating international supply chains. On 31 August 2015 the President of the International Council of Tanners wrote to the European Commissioner for Trade (amongst others) arguing as follows:

> **In the last years, the tanning industry has increasingly suffered from barriers and restrictions to raw material supply and international trade. Today, according to FAO data, more than half of the world production of raw hides and skins is subject to export restrictions, with negative effects on international prices and downstream sectors' demand. The protectionist trend is on the increase; a most recent example is the export ban for Russian wet-blue semi-processed leather, introduced on last October. The global situation risks to further deteriorate and possibly lead to an international trade warfare, which could affect the whole leather chain (Letter 5).**

Corporate complaints are not confined to trade in goods as a letter to Mrs. Malmström from the Chairman of the Global Reinsurance Forum dated 7 September 2015 makes clear. That letter described four different types of trade barrier and observed:

> **Whilst alleviation of current restrictive rules in reinsurance can be discerned in a couple of jurisdictions, it is very disappointing to have to report that the overall trend is towards greater protectionism worldwide. The number of countries, which have introduced or are contemplating introducing, reinsurance trade barriers is increasing. Ironically this comes at a time when the international community regularly affirms its opposition to protectionist measures or measures which inhibit the free-flow of international commerce.**

> **Barriers take many different forms. Some are evidently protectionist. Others claim to be motivated by prudential concerns, while ignoring reinsurers' financial strength, their ratings, their proven track record, their business model, the quality of their Home State regulatory and supervisory regimes and the choice and benefits they bring to local economies and cedants. These measures are all the more surprising when prudential rules governing reinsurers are generally based on agreed international rules or principles, often underpinned by a trend in recognition of the equivalence of reinsurance regulatory regimes (Letter 6).**

The Commissioner has received calls to bring disputes to the WTO. An example, contained in another letter from the Director General of the Confederation of European Paper Industries, dated 13 February 2015, follows:

“ In the letter we sent you on 5 February, we drew your attention on the increased import tariffs (from 5% to 15%) imposed by the Russian Federation on coated graphic paper and carton board in violation of WTO commitments. We called for your support to get a panel set-up by the WTO Dispute Settlement Body (DSB)...

“ We have been informed that this issue is not on the agenda of the next WTO Dispute Settlement Body meeting to be held in February. This is alarming.

“ The European paper industry would like to understand the position of the EU Commission services on this trade case and the reason why these services have not sent an official request to establish a panel to the WTO Dispute Settlement Body. We strongly ask that the agenda of the following DSB meeting to be held in market will include this request (Letter 7).

The resources available to enforce EU trade deals and the need to link enforcement, the EU's Market Access Strategy (MAS), and its approach to negotiating regional trade agreements were highlighted in a joint position paper of the Comité Européen des Enterprises Vins and Spirits Europe, dated June 2015. That paper states:

“ Sufficient Commission resources should be allocated to enforce trading partners' commitments under the WTO and bilateral FTAs. The EU's Market Access Strategy has proved a useful tool which should be updated...

“ Enforcement of trade rules is essential to ensure that agreements actually deliver meaningful market access improvements, increased exports and economic growth. To be effective, negotiation strategy must be accompanied by a strong enforcement strategy, with adequate investment in sufficient dedicated resources by the European Commission and Member States...

“ Ongoing trade negotiations should not prevent the EU from demanding full implementation of existing WTO and bilateral commitments by our negotiating partners, nor should they block or discourage possible WTO action against any trading partner. A credible threat of WTO litigation encourages trading partners to abide by their commitments...

“ In addition, FTA negotiations and the MAS could be more closely connected: the negotiations could provide the right framework to tackle market access barriers in addition to the policy tools under the MAS, from diplomatic demarches to WTO dispute settlement (Letter 8).

The importance of proper implementation of regional trade agreements was also emphasised in a position paper issued by the European Federation of Pharmaceutical Industries and Associations (EFPIA) and dated 31 July 2015:

“ EFPIA would like to underscore **the importance of an increased focus on the effective implementation of finalised FTAs, with increased resources devoted towards monitoring the implementation of FTA commitments in order to fully utilise the trade agreements fully capacity.** With the completion of many of the key on-going FTAs, it is likely that the trade landscape will look different in the next five years. Within this context, the Trade Strategy [of the European Commission] should entail a clear and concise focus on implementation of trade agreements, in order to ensure that the EU FTAs deliver clear results for the economy, citizens, industry and society. In the area of pharmaceuticals, proper implementation and enforcement of commitments is of great importance, in order to improve overall market conditions and provide faster patient access to innovative medicines (Letter 9, emphasis in the original document).

Similar claims were made in a position paper issued by FoodDrink Europe in September 2015 (Letter 10).

These letters from corporate representatives to the European Commissioner for Trade highlight the variety of foreign policy instruments said to distort or threaten to distort international trade, the actions requested and, in some cases, the amounts of commerce at stake. Implications were also drawn for the reform of EU trade policy and the MAS and for the allocation of resources within the European Commission. As such, these letters demonstrate not only why enforcement of trade agreements matters but also the linkages between enforcement and other key decisions associated with the execution of European trade policy, such as the launch of regional trade negotiations and the resort to WTO dispute settlement.

Given this backdrop, attention now turns to steps taken at present by the European commission to enforce existing trade agreements and, more generally, to tackle foreign trade distortions.

3. CURRENT EU TRADE ENFORCEMENT

The latest Communication from the European Commission on trade policy, Trade for all, makes specific reference to enforcement (see section 2.2.2.) It appears the changes are envisaged in trade enforcement as the Communication commits the Commission to “develop a more coordinated approach to economic diplomacy, ensuring that all EU diplomatic assets are deployed to support EU trade and investment interests” (page 16).

Resort to dispute settlement provisions and to the mediation mechanisms agreed in recent regional trade agreements are mentioned in Trade for all (EC 2015). In terms of foreign trade barriers, specific reference was made to the agri-food sector (where SPS measures tend to be the most frequently used policy instrument) and to trade defence actions, in particular anti-subsidy and anti-circumvention measures.

It remains to be seen how the implementation of this new Communication will affect trade enforcement by the European Commission. To root the discussion here in facts the focus is on the trade enforcement practice to date, in particular, the role of the Market Access Strategy (MAS). [3]

Launched initially in 1996, the EU's MAS was strengthened in 2007 (EC 2007). From the start the European Commission sought to inform businesses and Member States of commerce-related policy developments in trading partners. To that end the Market Access Database (MADB) was created.

In 2007 it was decided to augment the MADB with a Market Access Partnership (MAP) between the Commission, Member States, and (principally but not exclusively) EU-wide business associations. The relevant 2007 Communication argued:

3. It should be noted that DG Trade also monitors the implementation of regional trade agreements and, in doing so, evidence of foreign trade distortions may come to light. The execution and consequences of the EU-Korea free trade agreement are subject to particular scrutiny (see EC 2010, Directorate-General for Trade 2013b, 2014b, 2015a). The implementation of Russia's WTO accession commitments is frequently mentioned in EC reports.

> [Contemporary] barriers to trade are complicated and difficult to detect. Non-tariff and other 'behind-the-border' barriers are increasingly important. Many market access problems now arise because existing rules are not correctly implemented. Only better coordination between Member States, businesses and the Commission can make it easier to detect, analyse, assess and eliminate them (EC 2007).

To implement this Partnership the Commission created a Market Access Advisory Committee (MAAC), Market Access Working Groups (MAWG) for specific sectors, and Market Access Teams (MAT) based in third countries. The focal point for consultation appears to be the MAAC, which meets once a month (EC 2012).

According to ECORYS (2012), in a report for the European Commission on the effectiveness of the MAP, the principal tasks of the MAAC "are to advise on the management and strategic direction of the MAP and the MAS, to discuss specific market access barriers, and to act as a forum for the meetings of the TBT Committee in Geneva and the Trade Barriers Regulation Committee" (page 12). It is important to stress, however, that the MAAC is an advisory committee and that the final decisions are taken by the European Commission and the Member States.

Should a business detect a potential trade barrier that it would like the EC to act on it must submit information about that barrier to the MAAC. Details about the policy act involved, sectors implicated, and actions already taken by the firm or firms affected must be provided. Such information facilitates an assessment of the commercial importance of an alleged barrier maintained by a trading partner of the EU.

From the start the European Commission has argued for the need to prioritise efforts and, in doing so, has retained discretion in deciding which cases to take up. The 2007 Communication contained a number of statements about prioritisation. Three criteria were to be taken into account: "economic benefits in the short and the medium term for EU businesses," "barriers representing a serious infringement of an agreement," and "resolution of the problem within a reasonable timeframe" (EC 2007). The Communication went on to add "However, prioritisation must not be a straightjacket; rather it must provide guidance for using resources better" (EC 2007).

Once a measure is taken up for action, decisions are taken as to which elements of a "toolbox" available to DG Trade and the Member States should be deployed. A review of available materials would suggest that the toolbox includes, at least, the following items:

- *Communications (principally in the form of letters) from the DG Trade or EU Delegations abroad to the relevant authorities in a trading partner.*
- *Technical discussions with officials in the trading partner.*
  - *Potentially in collaboration with officials from member states or other influential trading partners.*
  - *Potentially in the context of established bilateral cooperation committees with the trading partner, where relevant.*
- *Intervention by senior officials from the European Commission and Member States.*
- *Mention of the trade barrier in DG Trade Reports and public communications, for example, the annual Trade and Investment Barrier Report.*
- *Explicit or implicit conditionality for launch of, or progress in, the negotiation of a regional trade agreement with the EU.*
- *Raising the matter at any relevant WTO committee or during the WTO's Trade Policy Review process.*
- *Conditionality for progress in the WTO accession process, where appropriate.*
- *Resort to dispute settlement procedures within the context of a regional trade agreement, where applicable.*
- *Resort to mediation procedures for cases involving non-tariff barriers, where a regional trade agreement allows for it.*
- *Resort to WTO dispute settlement.*

That so many different tools exist allow for potential escalation over time, should a trading partner fail to address a concern of the European Commission. That circumstances differ—in terms of the nature of the trade barrier, the clout of the trading partner, and, other collaboration taking place with a trading partner—probably implies that "no one size fits all" and that a range of tools are required.

Annually the Commission produces three reports on foreign trade distortions: a general report (the TIBR mentioned above) and separate reports on foreign resort to trade defence measures against EU commercial interests and harmful foreign acts relating to intellectual property. The MAAC itself does not produce an annual report of its activities that is publicly available. In fact, in comparison to the EC's Trade Barrier Regulation (an older legal instrument that predates the MAS), other than commentary on specific cases, very little has been written about current enforcement efforts by independent analysts. It is for this reason that considerable lengths were taken to assemble and analyse a dataset of "success stories" mentioned by the European Commission in the many documents that it releases on enforcement.

Before assessing that evidence, however, it will be useful to report on statements that DG Trade has made about its record concerning the removal of bothersome foreign trade distortions and about the Market Access Database. [4] Statements about these matters can be found in the Annual Activities Report of DG Trade and in the Management Plan 2015 and have been summarised in Appendix A of this report. [5]

With respect to the number of "key" market access barriers, the Annual Activity Report for 2009 notes that "more than 200" had been identified. The 2010 report referred to 205 key barriers. By the time the report for 2012 was prepared that number had grown to 220. No updated totals were given in subsequent annual reports, although the Management Plan 2015 also mentions that "220 key barriers" were identified as priorities.

In terms of successfully addressing foreign market access barriers, the Annual Activity Report for 2009 notes that "around 30" had been tackled. The comparable report for 2010 mentioned that approximately 50 foreign trade barriers had been eliminated. The 2011 report noted that "about 45 barriers were partially or fully eliminated." It was claimed that in 2011 that "progress was achieved in approximately 40 cases." The 2012 report noted that "positive developments to a varying degree have occurred in 70 cases." Of those 70 cases, 28 barriers were said to have been completely removed, the rest partially dealt with.

In the Annual Activity Report for 2014 instead of reporting the number of foreign trade barriers that have been successfully taken care of, percentages are reported. In that report it is stated "a high number (20%) partially/fully resolved within maximum 2 years of their inception." The Management Plan 2015 notes that "220 key barriers identified as priorities. Approximately 40 to 50 additional barriers are registered every year. Of which on average 20% are partially/fully solved within 2 years of their appearance." That Plan also contained the following target:

> Address all relevant cases with third countries appropriately and maintain a level of 20% of partially/fully solved cases within maximum 2 years of their inception (page 23).

It has not been possible to identify the rationale for the choice of a 20% target. Indeed, this choice may not have been the result of a deliberative process. After all, the use of the word "maintain" in the quotation above could be read as implying that the target was set so that success rates do not fall below levels seen in the recent past.

4. According to Obadalek (2016), the database receives more than four thousand visits a day, with roughly a quarter of them coming from Germany.

5. Furthermore, EC reports on the protection and enforcement of intellectual property rights in third countries for 2006, 2009, 2013, and 2015 were examined. However, they will not be discussed further here as these particular reports tend to mention very general concerns and, unlike the other sources consulted in the preparation of this study, rarely identify specific examples of foreign IPR decisions that are alleged to have harmed EU commercial interests. Instead, the IPR reports focus on matters requiring improvement by foreign governments as well as the Commission's efforts in setting up bilateral frameworks (e.g. through IP Dialogues, IP Working Groups, or IPR SME Helpdesks) to tackle them. Fears that a trading partner may retaliate against complaining EU companies could account for the reluctance to identify specific incidences of foreign harm. It should be noted that the database of success stories assembled from other EC sources includes a number of entries relating to foreign IP enforcement. Thus, it cannot be argued that this study entirely overlooks DG Trade's efforts to protect European firms against this particular form of foreign malfeasance.

4. WHAT VICTORIES DOES DG TRADE CLAIM IN TACKLING FOREIGN TRADE DISTORTIONS?

In contrast to many of its other activities, DG Trade does not make public detailed statistics concerning the successes it has had in deterring, delaying, reducing or eliminating foreign trade distortions. This complicates evaluations of how well DG Trade has defended EU commercial interests and the prerogatives negotiated in trade deals. Not surprisingly, then, the only publicly available evaluation of the MAP (ECORYS 2012) was qualitative in nature, focusing more on procedural matters and user satisfaction. [6]

Not content to leave matters at that, using the recurring publications of DG Trade I assembled a dataset of every instance where DG Trade claimed to have advanced the interests of European firms in markets abroad by tackling foreign trade distortions. The sources consulted in the preparation of this study were:

- *The 2008 and 2009 reports Implementing the Market Access Strategy.*
- *The Annual Activity Reports of DG Trade for the years 2008 to 2014.*
- *The 2011 to 2015 editions of DG Trade's Trade and Investment Barrier Reports.*
- *The 51 publicly available Market Access Flash Notes.* [7]
- *The 2008 to 2015 editions of the Overview of Third Country Trade Defence Actions Against The Community.*

To be included in the dataset, an official statement had to refer to a partially or fully successful outcome. Where the actions DG Trade took to secure such outcomes were reported that was also recorded. Where identified, information on the sectors, product, policy instrument, and amount of EU exports potentially affected was recorded. In some cases a success was mentioned more than once and every effort was taken to avoid double-counting. In total DG Trade has claimed to successfully tackle 260 foreign trade barriers over the years 2008 to 2015. [8]

Before proceeding there are, of course, many reasons why one should not take these statistics as a completely accurate record on the outcome of DG Trade's enforcement activity. After all, not every success may have been disclosed. Furthermore, what constitutes success (to DG Trade) appears to be fairly broad—complete elimination of a foreign trade distortions counts, but so does delaying the implementation of a trade barrier. Lastly, counts of success need not say much about the amount of commerce at stake, a point to which I will return. Nevertheless, this dataset is the best available and, as will become clear, the patterns revealed are informative.

FIGURE 1 THE NUMBER OF COMMISSION-DECLARED SUCCESS STORIES HAS FALLEN OVER TIME

A natural starting point is to ask how many successes DG Trade has claimed over time. Has it been the case that, as EU officials gained experience and cooperation with Member States and EU-wide business associations has grown that, the number of successful interventions has grown? As Figure 1 shows, the opposite has happened. After an initial burst of success, the number of trade barriers tackled under the Market Access Partnership has fallen markedly. [9]

What benchmark can one interpret this falling success rate against? Could the number of new foreign trade distortions have fallen after the early years of the global economic crisis? The Global Trade Alert (GTA), [10] an independent trade policy monitoring initiative that I coordinate, tracks the number of times a country or group of countries' commercial interests have been harmed by discriminatory foreign acts. Information on the hits to EU commercial interests by countries outside of the EU was also collected. [11]

Plotted against the vertical axis on the right hand side of Figure 1 are annual totals the number of new hits to the commercial interests of the EU28. [12] Two findings arise. First, the number of successes each year is a small fraction of the total number of new hits each year. Since 2008 the total number of hits to EU commercial interests is more than six times the number of EU success stories. Second that, if anything, the number of hits to EU28 commercial interests tends rise over time while the number of successes claimed by DG Trade is falling.

6. Nothing should be read into this sentence to demean the value of qualitative assessments.

7. In fact the last Flash Note available is numbered 52. One earlier Note is not available on DG Trade's website.

8. Appendix B of this Report provides the breakdown of the number of the successful cases across trading partner and policy instrument.

9. Figure 1 shows the number of success stories in EC reports published in a given year. Typically a report in year X refers to foreign trade distortions introduced or announced in the previous year (X-1).

10. The information collected by the GTA can be accessed at www.globaltradealert.org.

11. The GTA dataset contains acts by EU Member States that have harmed other EU member states. Such acts are not included in the data reported in Figure 1.

12. To be consistent with the way the data on the success stories is reported in Figure 1, the total number of foreign hits to EU commercial interests reported in year X refers here to the total number of hits found in the GTA database for year (X-1).

FIGURE 2

TRADE DISTORTIONS IN 11 TRADING PARTNERS ACCOUNT FOR OVER 60% OF THE COMMISSION'S SUCCESS STORIES

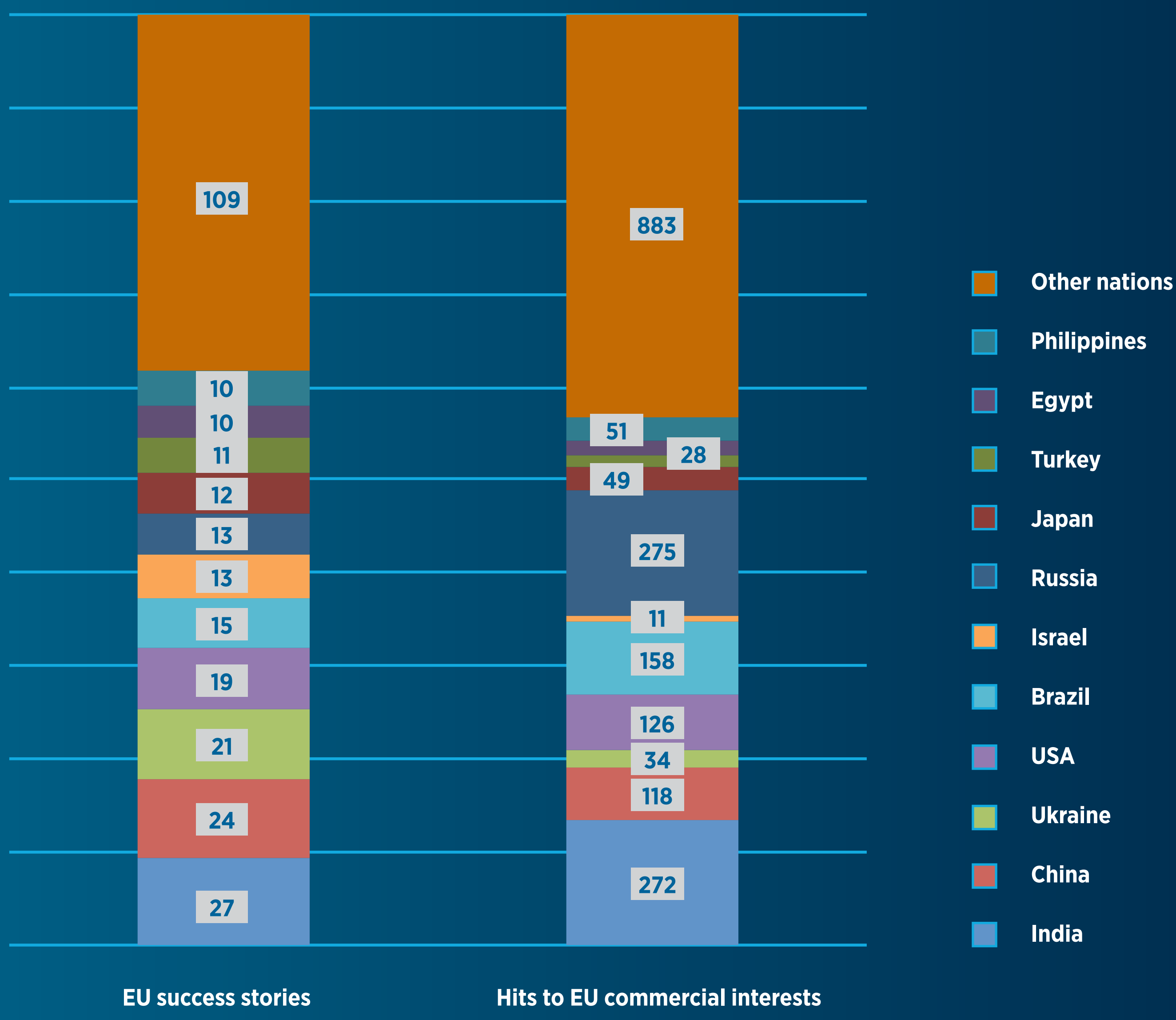
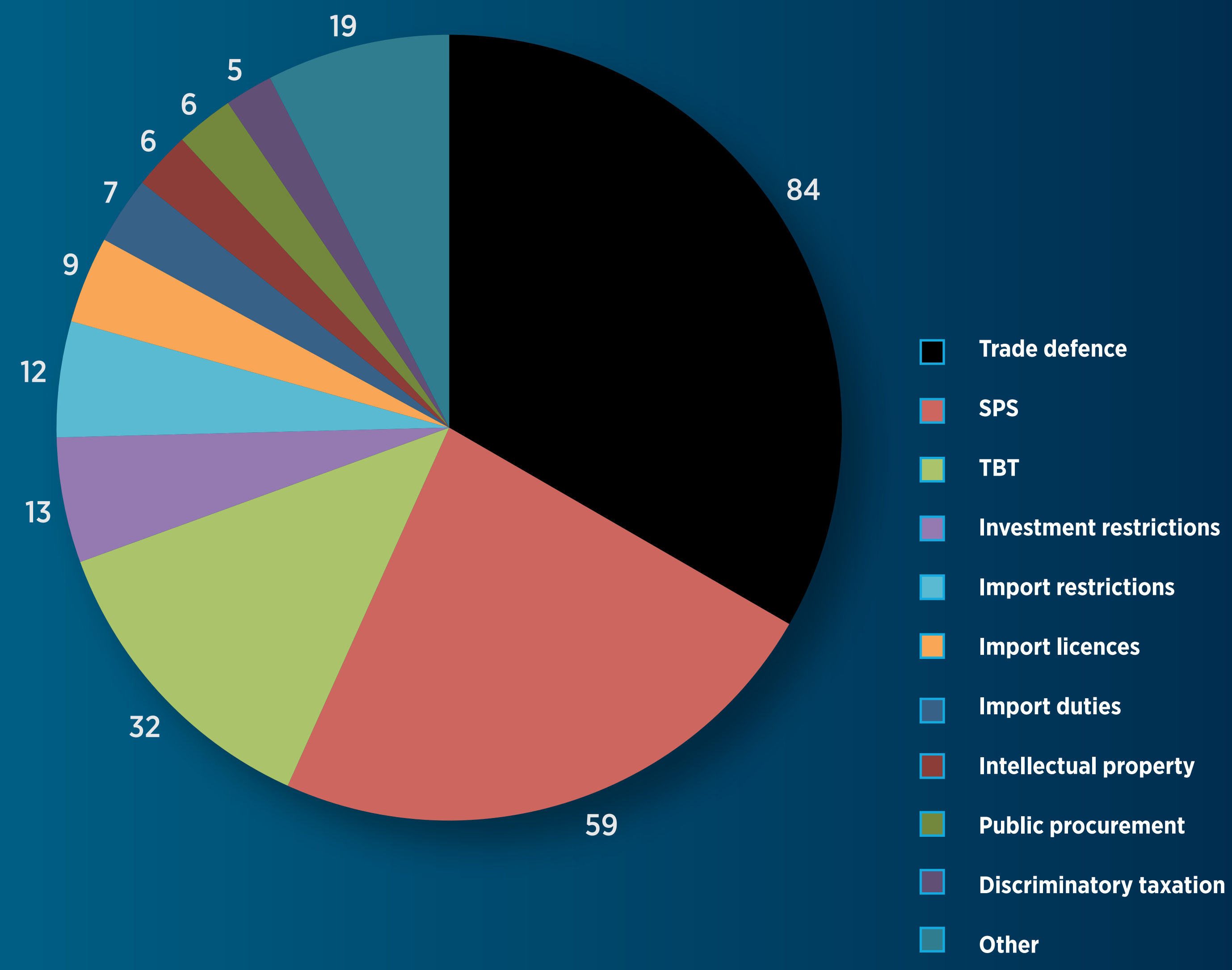


FIGURE 3

THE COMMISSION'S SUCCESS STORIES ARE HEAVILY CONCENTRATED IN TRADE DEFENCE, SPS, AND TBT MEASURES



The EC's 260 success stories relate to trade barriers implemented or planned in 273 foreign commercial policy interventions. Figure 2 highlights in which countries DG Trade claims to have advanced European Commission interests most often. On 27 instances since 2008 DG Trade claims to have advanced European commercial interests in India. Other than the Philippines, the countries where DG Trade claims the most success are either BRICs, countries in the "near abroad" (where presumably trade ties are stronger), and the economic powerhouses of the United States and Japan.

The second column in Figure 2 reports the number of times each of these countries harmed EU commercial interests since November 2008, when the GTA datasets begins. Only in the case of Israel does the number of DG Trade successes exceed the number of implemented discriminatory measures documented by the GTA team. In every other case, EU trading interests have been hit more often by the trading partners listed there than the number of times DG Trade claims to have protected them, often by a wide margin.

It may be that, as a general proposition, there is room for improvement in how DG Trade enforces EU rights abroad. However, are there certain policy instruments where DG Trade has a better track record of tackling foreign trade distortions? Figure 3 reports how often DG Trade has claimed success addressing each major category of policy instrument. It turns out that DG Trade's success is particularly concentrated in dealing with foreign resort to trade defence, SPS, and TBT. Success in tackling other policy instruments occurred less frequently.

FIGURE 4

MOST SUCCESS STORIES RELATE TO SECTOR-SPECIFIC TRADE DISTORTIONS, NOT HORIZONTAL PROTECTIONISM

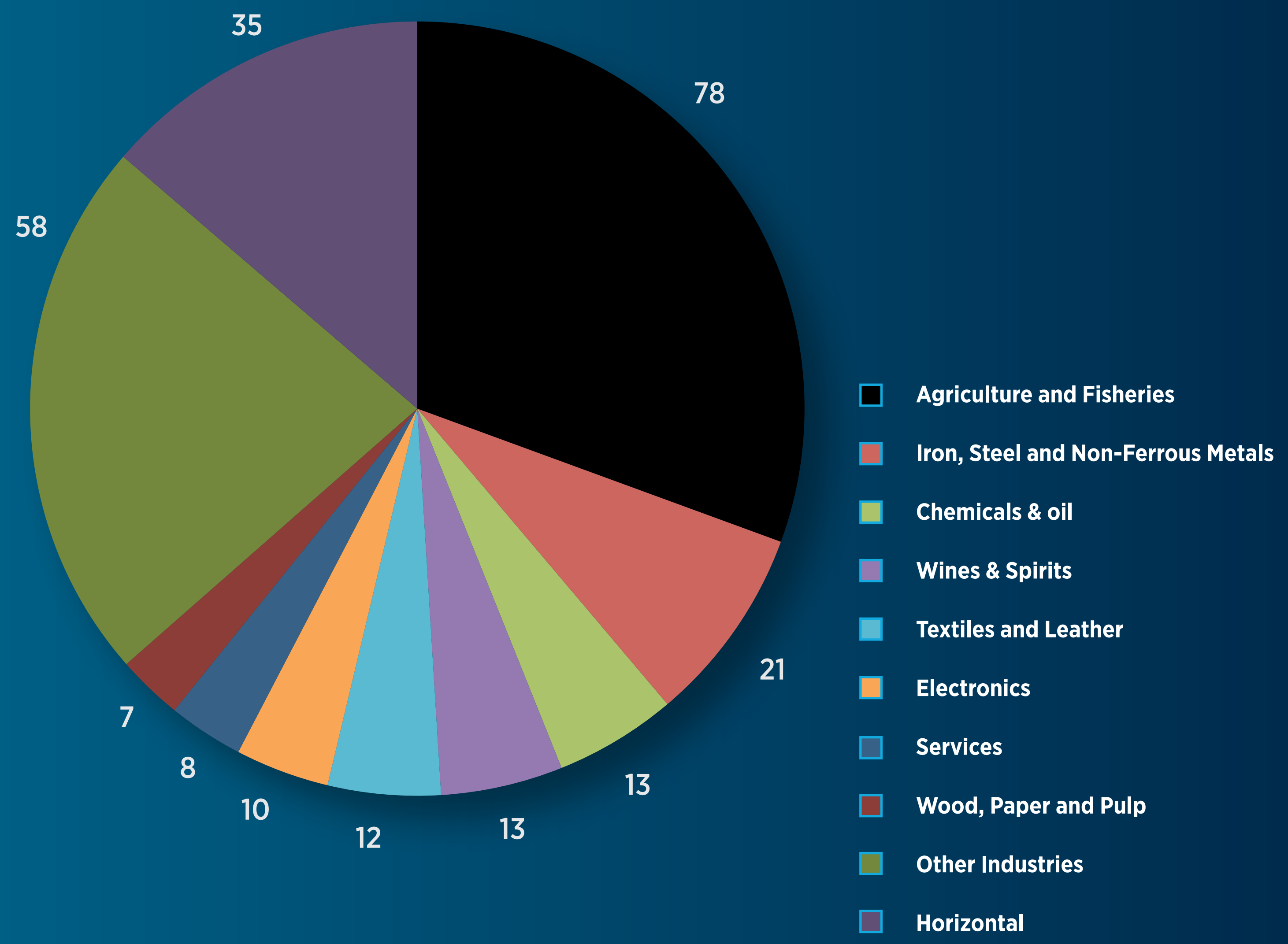
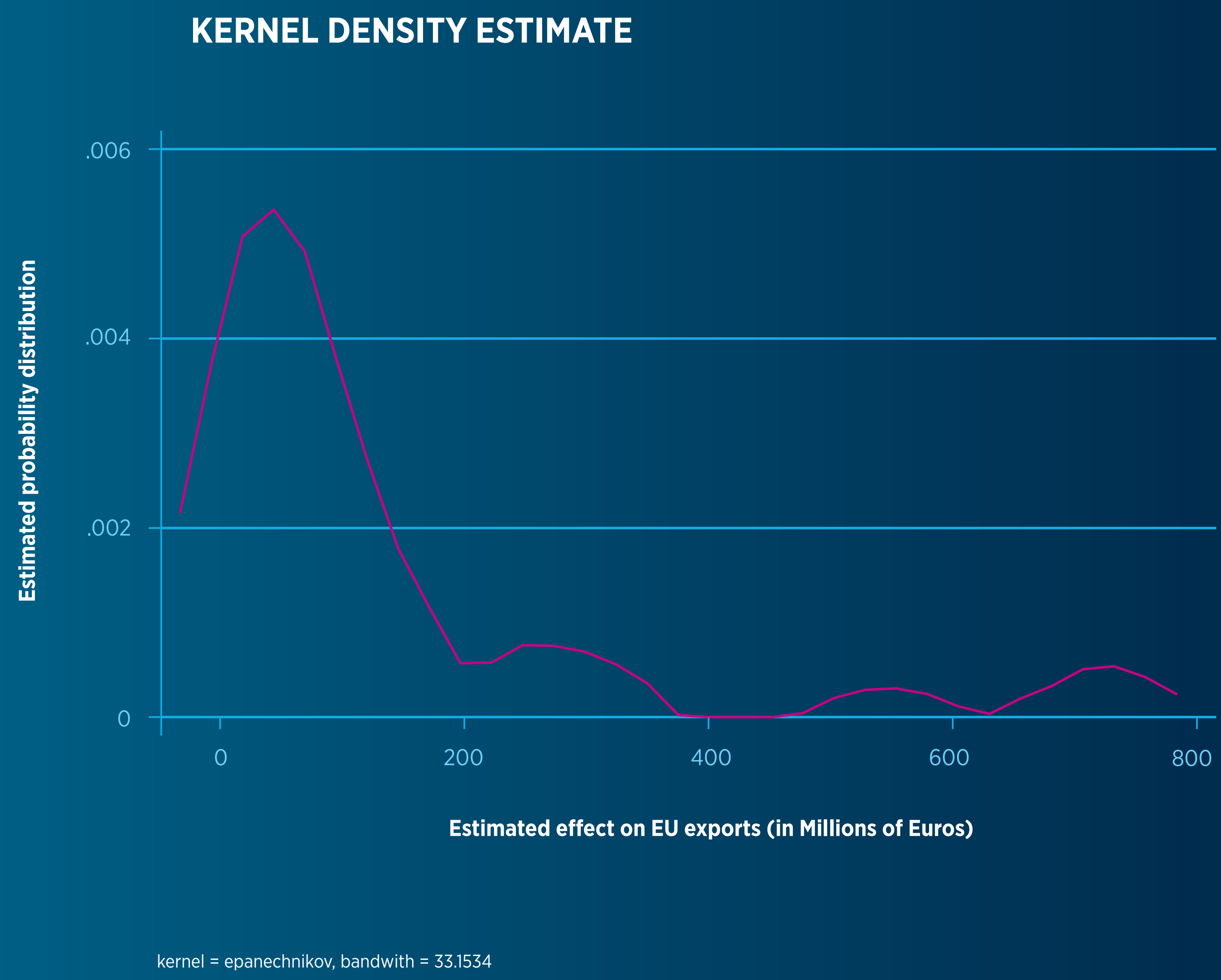


FIGURE 5

MOST SUCCESS STORIES INVOLVE LESS THAN €100 MILLION OF EXPORTS



Again, care is needed in interpreting these findings. Trade defence actions have been the most frequently used during the crisis-era. According to the GTA dataset, since November 2008 the European Union has seen 228 trade defence and safeguard duties imposed on its exports by other nations. The EC claims to have successfully influenced 84 foreign trade defence actions, just over a third of the former total. [13]

The disparity is wider in the case of investment restrictions. DG Trade claims to have intervened successfully 13 times against foreign government actions here, whereas the GTA database contains 84 cases where adverse investment policy changes have likely harmed EU interests.

Given the large number of SPS cases, it is not terribly surprising that the sector that has benefited most often from EC enforcement actions has been agriculture and fisheries (see Figure 4). The propensity of the iron and steel firms to benefit probably reflects the large number of trade defence actions in that sector. Overall, though, it is noteworthy that five sectors account for over half of the successful cases of EU enforcement action.

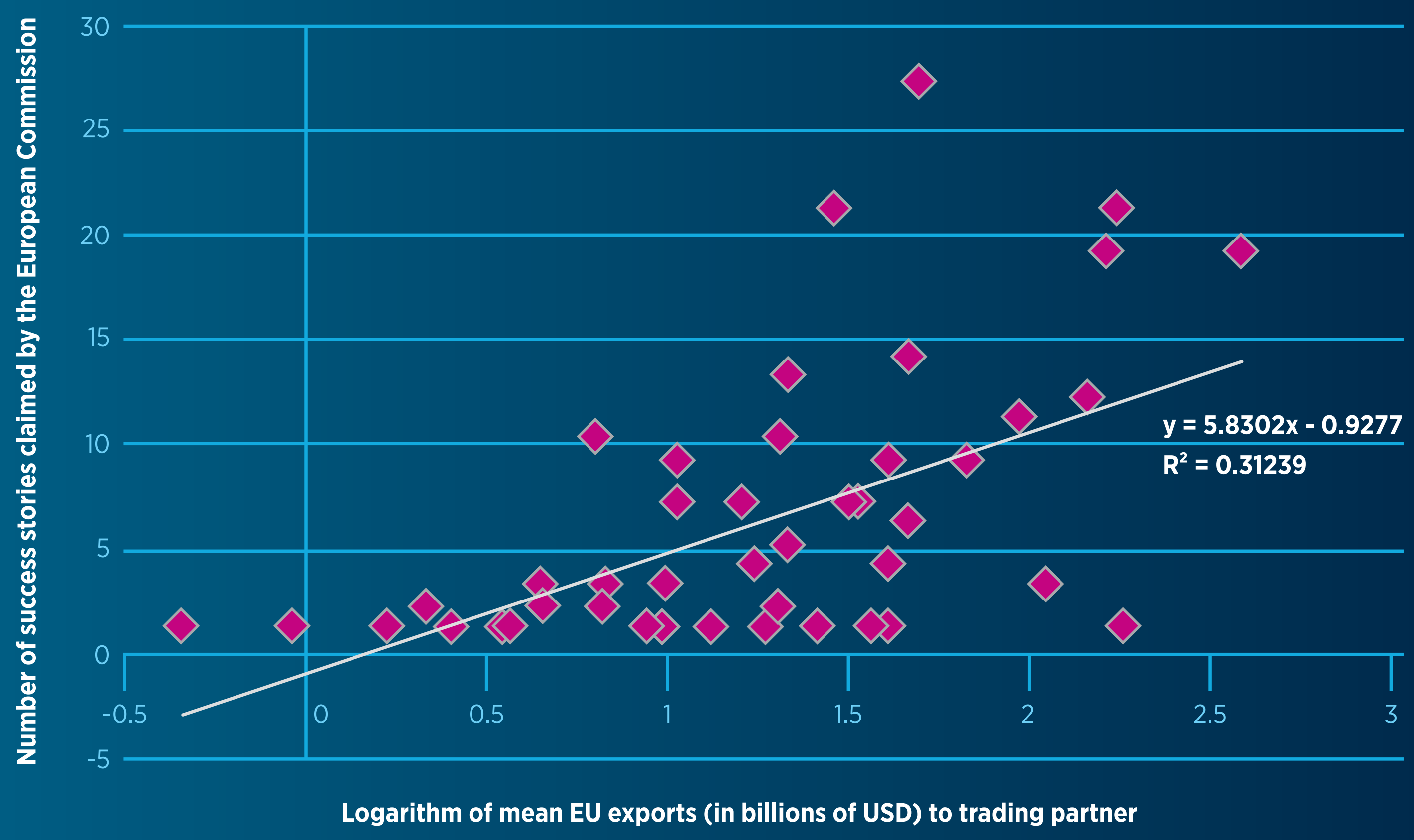
Of the 260 success stories reported by DG Trade, estimates of the amount of exports involved are reported in just 32 cases. Figure 5 shows that most of the successes involved trade flows less than €100 million. In fact, the median of the reported estimates of the exports affected is €62.5 million (the mean is €133.3 million.) The two largest export flows mentioned in the EC's success stories were €700 million and €750 million.

What factors determine the number of times that DG Trade has been successful in thwarting trade distortions in foreign jurisdictions? Surely DG Trade has more success in jurisdictions where European firms export more in the first place? There appears to be something to that supposition, see Figure 6. Broadly speaking there is a positive correlation between the amount of EU exports and the number of successes, however, the relationship does tend to weaken as EU exports gets larger. Switzerland, for example, is well below the (estimated regression) line. That is, the number of DG Trade successes claimed is much lower (in fact, one) than one might expect given the large volume of EU exports to this neighbouring alpine state. In contrast, China, India, and the USA are above the line. Before drawing any firm policy implications, at a minimum the data in Figure 6 suggest that other factors are important too.

13. However, based on Figure 16 in Appendix D, the share of import restrictions (including trade defence actions) in the total number of success stories has been steadily rising and accounted around three-quarters of the total number of success stories reported in 2015.

FIGURE 6

OTHER FACTORS MUST PLAY A LARGER ROLE IN ACCOUNTING FOR THE NUMBER OF SUCCESS STORIES IN THE LARGER EU TRADING PARTNERS



An alternative hypothesis is that trading partners resorting to protectionism more often attract DG Trade's attention and, with more attention, comes a greater number of successes. It would also be interesting to know if DG Trade has more success in countries where a long-standing regional trading agreement is in force. Some might argue that an ongoing negotiation of a regional trade agreement gives DG Trade more leverage to prevent foreign resort to trade distortions, in which case are the number of successes higher in these countries? Lastly, the WTO accession process provides existing members of that institution with a lot of potential leverage over applicants. In which case, does DG Trade chalk up more successes in countries that are trying to join the WTO? Data on each of these factors was collected and standard statistical tools were used to identify the factors that best correlate with the number of successes that DG Trade claims. The statistical estimates are presented in Table 1 using the 40 jurisdictions where DG Trade has one or more success.

If the statistical results are to be believed, then the principal driver of the number of DG Trade "wins" is the degree to which the trading partner resorts to protectionism in the first place. At first blush, that seems plausible. But consider the magnitude of the estimated coefficient. At best, the results imply that if a trading partner doubles its resort to protectionism the number of trade distortions that DG Trade successfully tackles rises 44%. Other estimates suggest that the true success rate may be much lower, especially when the degree of uncertainty around these estimates is taken into account.

TABLE 1

THERE ARE MORE SUCCESS STORIES IN TRADING PARTNERS THAT IMPOSED MORE CRISIS-ERA PROTECTIONISM BUT NOT IN THOSE ENGAGED IN TRADE TALKS

DEPENDENT VARIABLE: NUMBER OF SUCCESS STORIES (LOG OF)	FULL SAMPLE	FULL SAMPLE	FULL SAMPLE	WITHOUT UKRAINE
Exports (log of)	0.172 (0.123)		0.248 (0.241)	0.158 (0.125)
Hits to EU commercial interests (log of)	0.335*** (0.103)	0.437*** (0.068)	0.328*** (0.096)	0.361*** (0.109)
RTA with EU before 2008	0.065 (0.209)	0.035 (0.196)	6.379* (3.448)	0.014 (0.218)
Above term interacted with exports			-0.609* (0.331)	
RTA with EU negotiations since 2008	0.104 (0.166)	0.002 (0.158)	0.283 (2.452)	0.035 (0.186)
Above term interacted with exports			-0.015 (0.234)	
WTO accession since 2008	0.320* (0.188)	0.312 (0.215)	0.285 (0.213)	0.033 (0.210)
Constant	-1.614 (1.227)	0.091 (0.146)	-2.402 (2.472)	-1.448 (1.249)
Observations R-squared	40 0.569	40 0.541	40 0.623	39 0.555

Estimation method: OLS with White-corrected standard errors.

Robust standard errors in brackets;
* for $p<0.10$, ** for $p<0.05$, *** for $p<0.01$

Sample: 40 jurisdictions,
List of jurisdictions in full sample: Algeria, Argentina, Brazil, Canada, Chile, China, Colombia, EAEC, Ecuador, Egypt, Serbia, GCC, Georgia, Guatemala, Honduras, Hong Kong, India, Indonesia, Israel, Japan, Jordan, Malaysia, Mexico, Moldova, Morocco, New Zealand, Panama, Philippines, Singapore, South Africa, Ivory Coast, South Korea, Switzerland, Thailand, Turkey, Ukraine, Uruguay, USA, Vietnam.

What is particularly striking in Table 1 is the finding that DG Trade is no more successful in countries where a long-standing regional trading agreement is in effect. Nor are they more successful in countries where RTA negotiations have taken place since the crisis began (which, after all, is the period to which the data on DG Trade success relates). It also turns out that the leverage associated with WTO accession negotiations falls to one side once Ukraine, a relatively small trading nation, is dropped from the sample. These results do not imply that negotiations cannot be used to tackle foreign trade distortions that arise, rather that such negotiations do not appear to have had much purchase since 2008.

This overview of DG Trade's enforcement action would be incomplete without some discussion of the resort to WTO dispute settlement. DG Trade can challenge a trading partner's policy choices at the WTO or it can join as a third party on cases brought by others. If anything, at least as suggested by the data in Figure 7, over time DG Trade has had a growing preference for the latter over the former. In short, there appears to have been a trend reduction in the number of WTO dispute settlement cases brought by DG Trade. It would be interesting to learn whether joining a case as a third party is a relatively more effective means to tackle foreign trade distortions.

FIGURE 7 DG TRADE HAS MADE LESS RESORT TO WTO DISPUTE SETTLEMENT OVER TIME

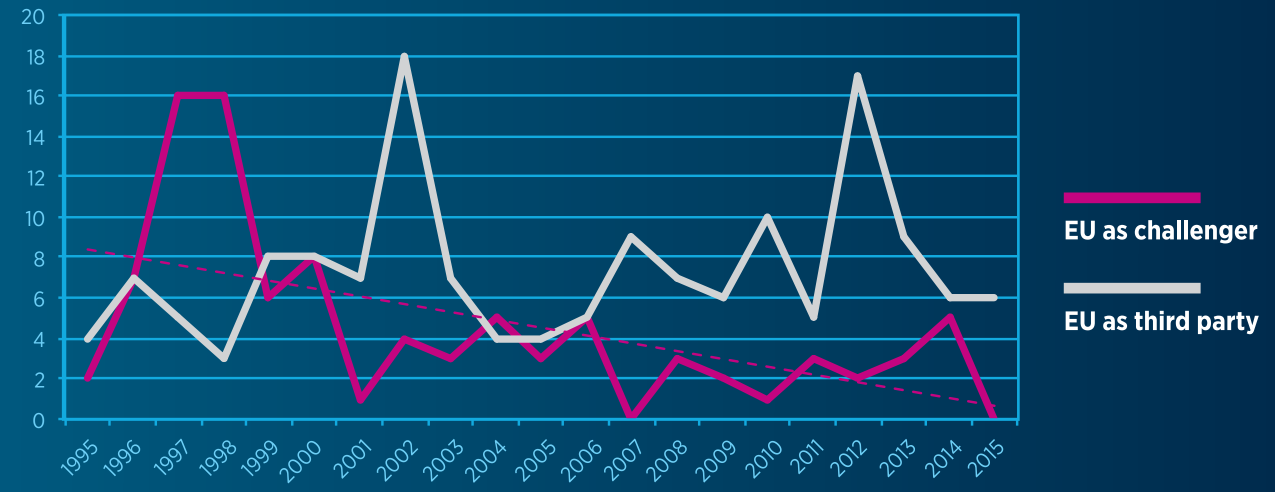
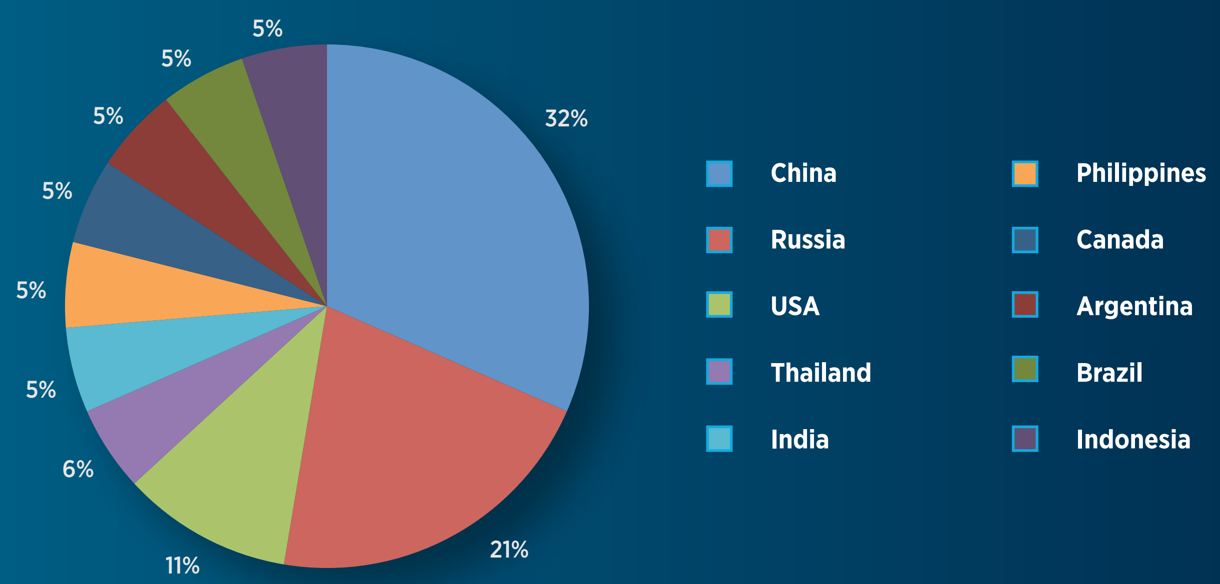
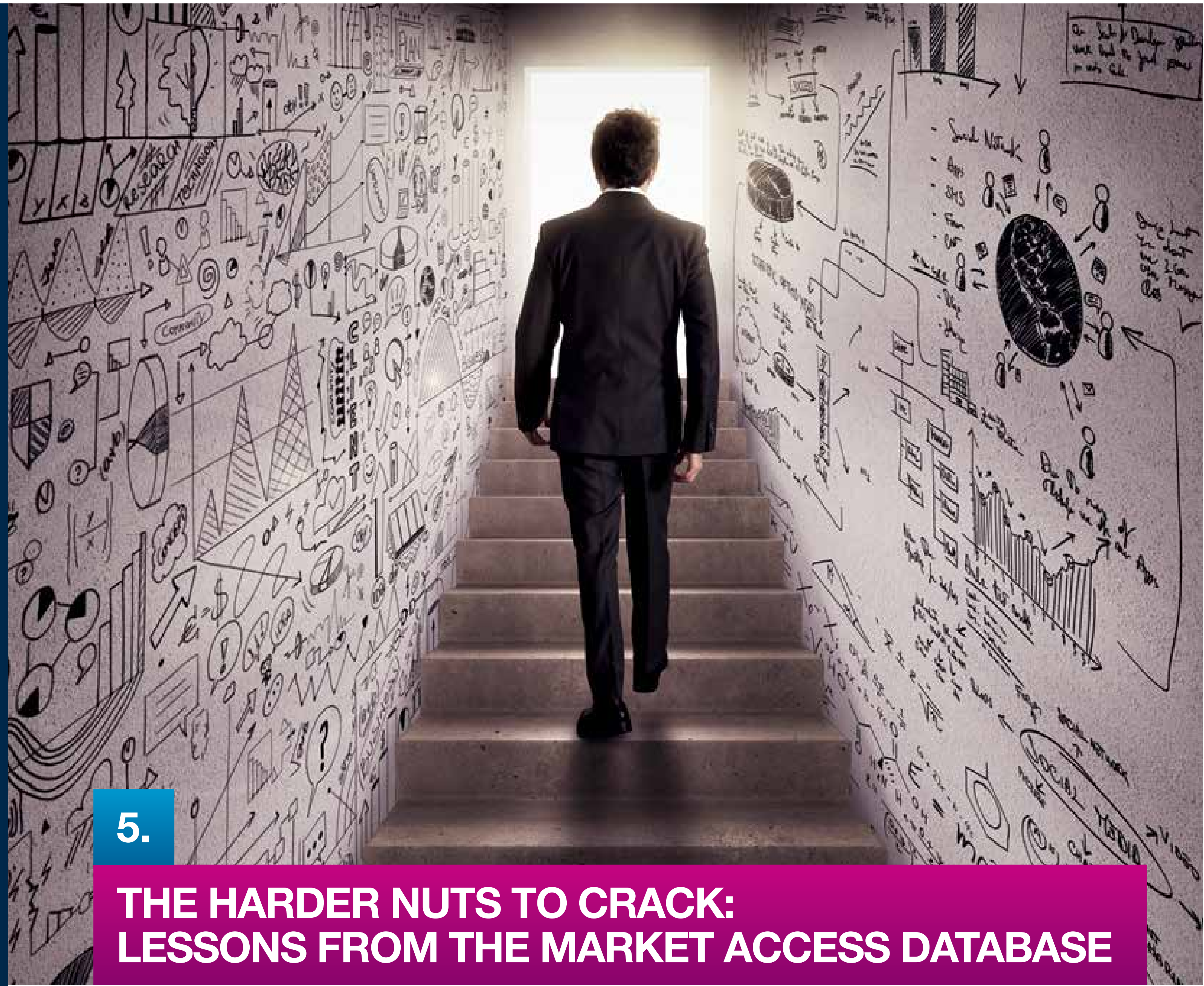


FIGURE 8 SINCE 2008 THREE TRADING PARTNERS ACCOUNT FOR NEARLY TWO-THIRDS OF THE CASES THE EU HAS TAKEN TO WTO DISPUTE SETTLEMENT



Another interesting feature of EU resort to WTO dispute settlement since 2008 is that two-thirds of the cases initiated by DG Trade relate to just three trading partners: China, Russia, and the United States (see Figure 8). Of course, a single case brought against a smaller trading nation may have systemic significance—there is only so much one can learn from distribution of cases. Still, the fact that DG Trade is initiating fewer dispute settlement cases at the WTO, and targeting a small number of countries, must beg the question: How much does the rest of the WTO membership fear enforcement of the EU's multilateral obligations through dispute settlement?

Taking DG Trade at its word, the purpose of this section has been to examine the patterns associated with its claimed successes in eliminating, reducing, thwarting or delaying foreign trade distortions, outcomes that one might associate with a well-performing trade enforcement function. In the next section, attention shifts to the trade distortions that DG Trade has been unable to tackle to date.



5. THE HARDER NUTS TO CRACK: LESSONS FROM THE MARKET ACCESS DATABASE

For a balanced assessment of the EU trade enforcement one also needs to consider the foreign trade distortions where DG Trade has yet to succeed in gaining their removal. Fortunately, the Market Access Database records the cases that have been brought to Commission's attention and have yet to be resolved satisfactorily, what steps have been taken, and when the last update on a file took place.

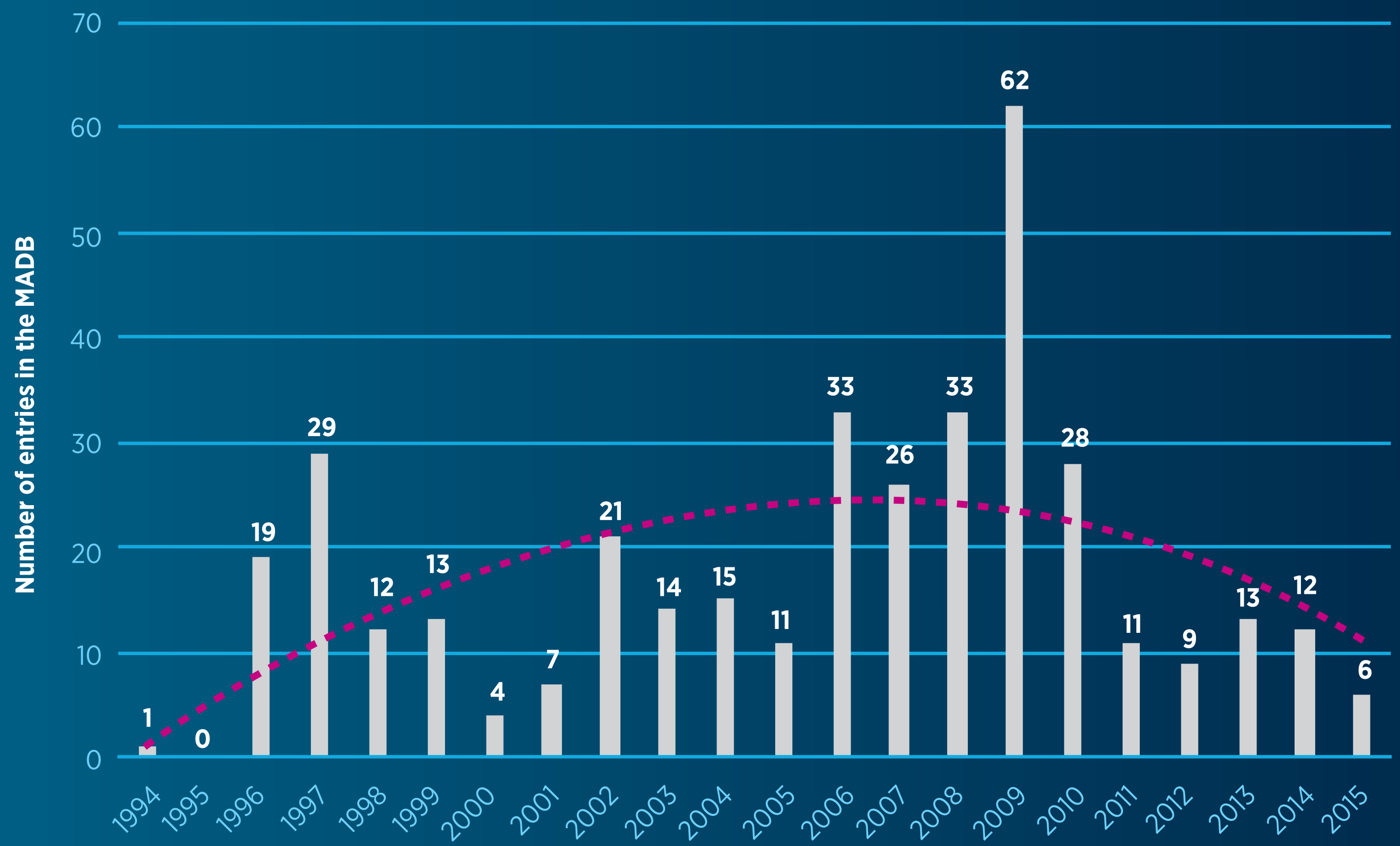
When this report was first prepared (in December 2015) the MADB contained 381 outstanding complaints against foreign trade distortions, of which 211 have been classified as "key barriers." Of the 381 complaints, 356 have been classified as "ongoing," 17 as cases where the Commission is monitoring the solution, six as cases where action has "ceased" and two where the file has been transferred to another file. The overwhelming majority of these complaints, then, have not reached a stage that DG Trade feels it can close the file.

The earliest of these complaints was notified in 1994 and is still classified as "ongoing," which implies that in this case the matter has been before DG Trade for over 20 years. As Figure 9 shows, a large number of complaints against foreign trade distortions brought between 2006 and 2010 remain unresolved. In total, the 182 complaints that remain from those years accounts for 47% of the total.

The large number of complaints associated with 2009 and 2010 correspond to the early years of the global economic crisis, raising questions about the ability of DG Trade to defend European commercial interests during sharp global economic downturns. The large number of complaints brought in 2006 to 2008 might reflect the desire of European firms to try the new Market Access Partnership announced in 2007 and for which plans were in the works in 2006.

FIGURE 9

MANY TRADE DISTORTIONS REPORTED EARLY IN THE CRISIS STILL NEED TO BE ADDRESSED



Since 2010 there has been a marked fall off in the number of complaints filed that remain in the MADB. If the number of unresolved cases were low because of high success rates then that might be a positive sign. However, recall the reported statements from DG Trade that about 20% of cases end with positive resolution. The implication, then, is that private sector resort to the Market Access Advisory Committee has fallen or that the standards applied to accept cases have risen.

Entries in the MADB also record the date when a file on a complaint was updated. The distribution of the number of days since the last update was computed and plotted in Figure 10. The average (mean) length of time for a file to be updated is 1096 days, just over three years. The median length of time is 697 days.

As the distribution makes clear a large number of cases have been reviewed in the past two years—which presumably is a necessary condition for DG Trade to attain its goal of trying to properly resolve cases within a two year time frame. The large upper tail of the distribution suggests, however, that a number of cases do not receive much attention. Indeed, 148 or 38% files received their last update in 2012 or earlier. Presumably the length of time it takes to remove a foreign trade barrier—as well as the probability that such removal actually occurs—influences the assessment of the utility of European Commission's trade enforcement capability.

FIGURE 10

IS DG TRADE CONCENTRATING RESOURCES IN TRACKING MORE RECENTLY REPORTED TRADE DISTORTIONS?

KERNEL DENSITY ESTIMATE

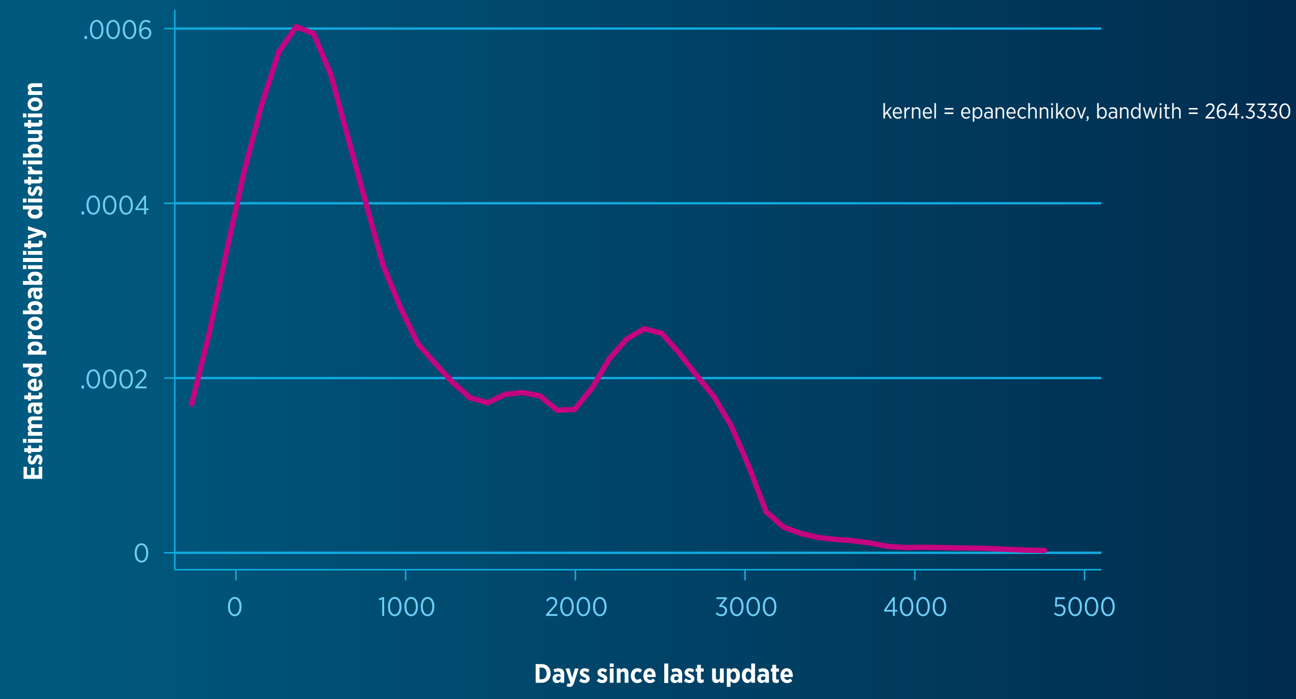
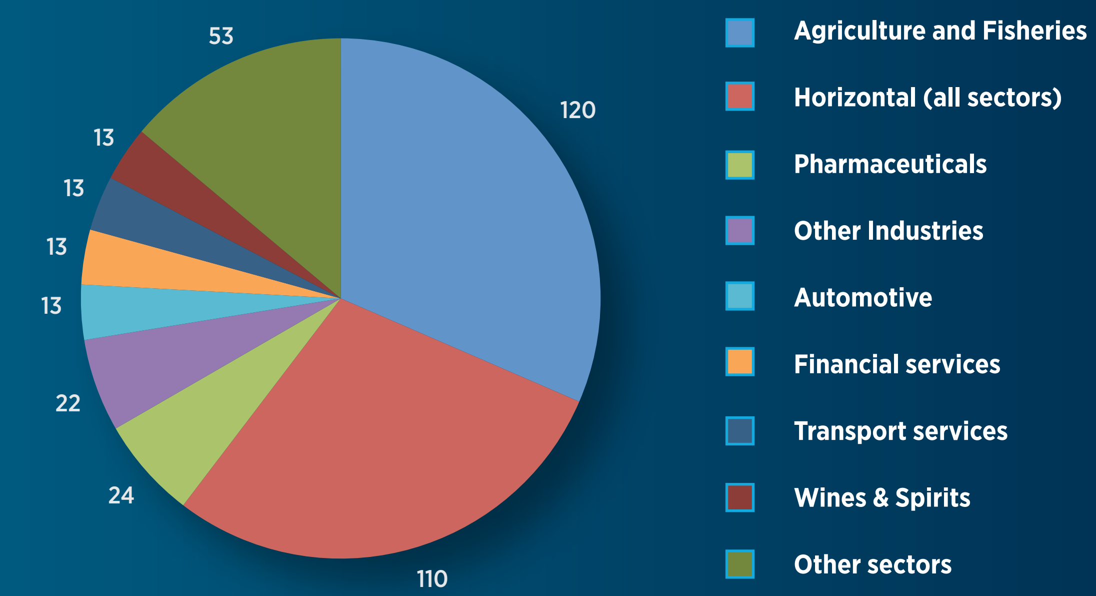


FIGURE 11

WHILE MOST UNRESOLVED TRADE DISTORTIONS FACING EU EXPORTERS ARE IN AGRICULTURE AND FISHERIES, A LARGE PROPORTION CUT ACROSS ALL SECTORS



The last section reported that the sector which benefited most often from EC trade enforcement practice was agriculture and fisheries. The same sector is the one where the most unresolved complaints are found as well (see Figure 11). In that sector 50% more trade complaints remain unresolved than were successfully tackled. [14]

That being said, the most striking finding in Figure 11 is the relatively large share of unresolved cases that involve policies which cut across many sectors of a trading partner's economy—the so-called horizontal policies. Of the 381 outstanding complaints, 110 refer to such foreign trade distortions. Coupled with the finding that relatively few such horizontal cases counted among the success stories, this suggests a particular area of difficulty for DG Trade is in tackling across-the-board discriminatory policies that harm European commercial interests.

The 2009 annual report on Implementing the Market Access Strategy contained a breakdown across policy instruments of the outstanding complaints in the MADB during that year. That breakdown has been reproduced in Figure 12 along with its counterpart in 2015. Contrasting the two rows in that Figure reveals how the mix of unresolved foreign trade distortions has changed over time. Indeed to the extent that the harder-to-crack cases accumulate over time, the differences may reveal where DG Trade is finding it harder to tackle foreign trade distortions. An alternative interpretation, of course, is that other factors drive the willingness to file complaints, including the propensity to successfully resolve them. To the extent that the latter propensity varies across trade distortions, then the mix of complaints may change over time.

The proportions of discriminatory taxation, TBT, government procurement, services, and investment-related complaints in the 2015 "portfolio" of cases are lower than in 2009. Meanwhile, the proportions of import restrictions (which includes trade defence complaints), other non-tariff barriers, and SPS complaints yet to be resolved have increased. [15] The proportion of intellectual property rights cases stayed approximately the same. Presumably the expertise needed within DG Trade to tackle different types of foreign trade distortion is not the same, which raises the question of whether the skill set of the staff devoted to trade enforcement has evolved with the changing case load.

Another comparison between the 2009 and 2015 portfolios of outstanding complaints is possible. The trading partner implicated in each complaint can be identified and so the distribution of complaints across trading partners can be discerned. Figure 13 identifies the nations mentioned in the largest number of complaints. There are a number of similarities between the pie charts for both years, with one exception: the United States.

In 2009 six percent of outstanding complaints by EU firms related to trade distortions imposed by the United States. By December 2015 that percentage had risen to 15%. This percentage rose in spite of the preparations for, and subsequent launch, of the Trans-Atlantic Trade and Investment Partnership, pouring cold water on any claim that the negotiation of a regional trading agreement must result in fewer trade distortions being implemented by a negotiating partner. Indeed, one might even contend the opposite—namely, that a negotiating partner puts in place more protectionism to accumulate bargaining chips. Alternatively, EU companies may have filed more complaints against US trade distortions so as to influence the agenda and conduct of the TTIP negotiations.

14. Interestingly, this sector accounts for relatively few of the complaints against foreign trade distortions that were first made during the years 2006-2009 and that are still outstanding, see Figure 18 in Appendix D.

15. It should be borne in mind that, SPS, TBT, and NTB measures have accounted for the lion's share of reported trade distortions throughout the years, see Figure 17 in Appendix D.

FIGURE 12 THE MIX OF TRADE BARRIERS FACING EU EXPORTERS THAT HAVE STILL TO BE REMOVED HAS SHIFTED TOWARDS IMPORT RESTRICTIONS, NTBS, AND SPS

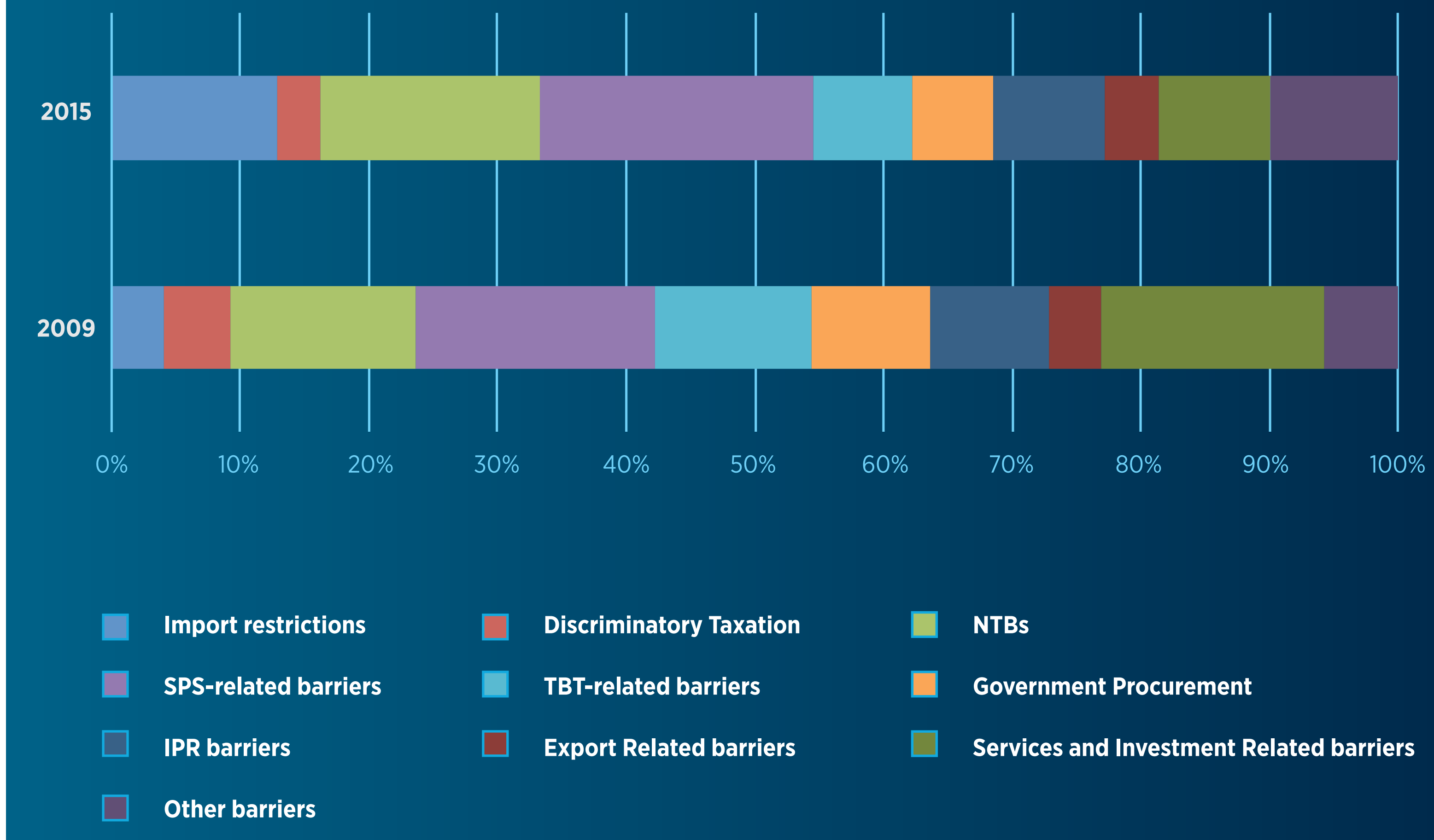
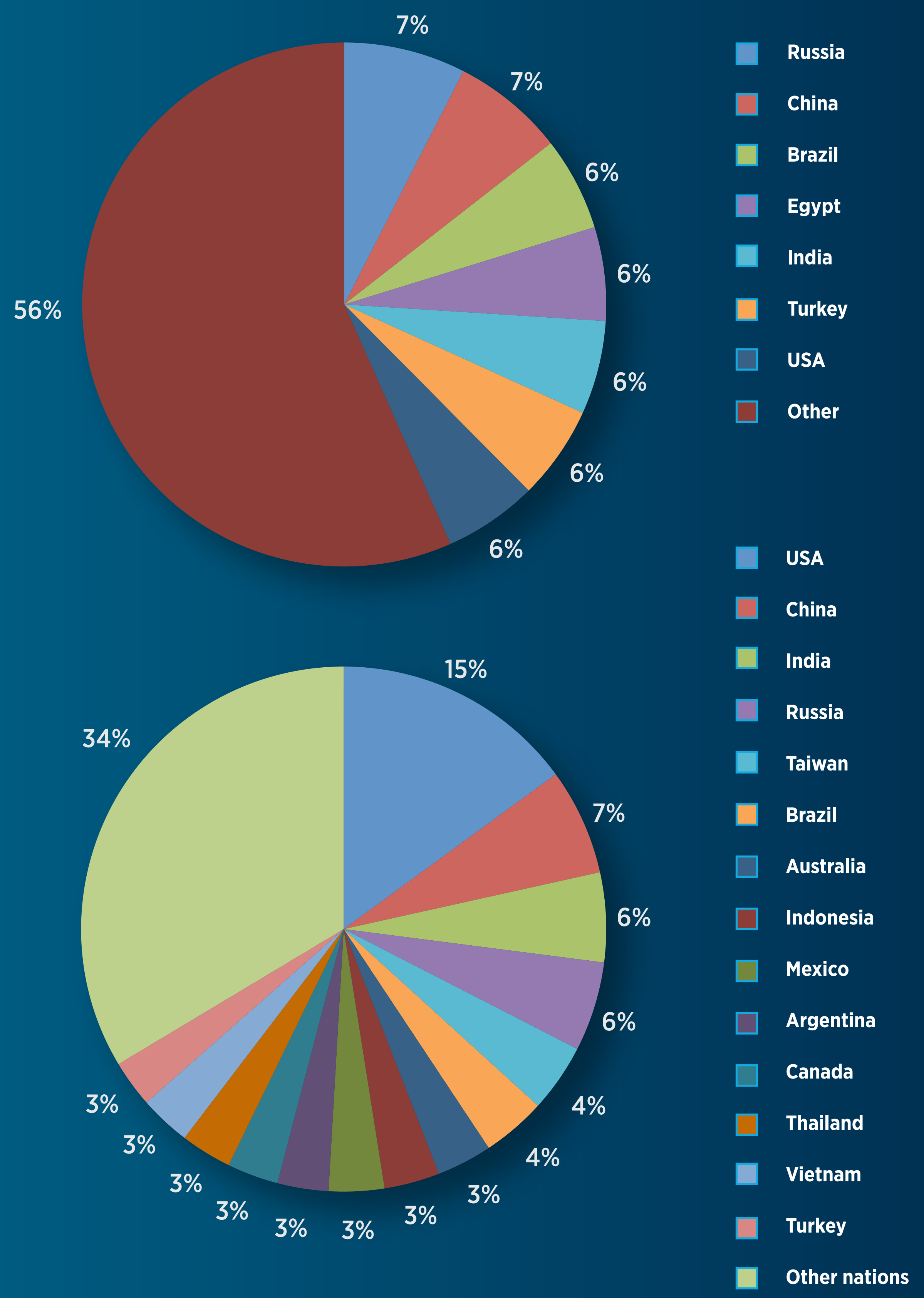


FIGURE 13

THE USA'S SHARE OF UNRESOLVED MARKET ACCESS BARRIERS FACING EU EXPORTERS DOUBLED FROM 2009 TO 2015



Further evidence that the United States is an outlier, at least as far as outstanding complaints from European business is concerned, can be found in Figure 14. That figure plots the (logarithm of the) average level of EU exports during 2008-2014 to a trading partner against the number of outstanding complaints against that partner's trade distortions. The two variables are positively correlated, but one country has a disproportionately large number of complaints against it given the level of underlying trade.

To the best of my knowledge, this section contains the first independent quantitative examination of the Market Access Database of European complaints against foreign trade distortions. For sure, this examination involved for the most part looking at the database's contents at a point in time—and much more could probably be learned by tracking the contents of this database for a number of years.

Still, a number of interesting questions emerge. Why are there so few entries in the MADB from the most recent years? Does this reflect falling propensities to file complaints in the first place and, if so, why? Do the cases that have not been resolved after (say) two years share certain common characteristics? Could it be that complaints involving certain policies [16] or certain trading partners are harder to obtain results? If so, why and, ultimately, what can DG Trade do about it?

Furthermore, is there a link between propensity to resolve a complaint, the means of resolution, and the trading partner? Perhaps the threat of WTO dispute settlement is the only approach that will make the trading partner take European complaints seriously? Answers to questions such as these might refine DG Trade's approach to trade enforcement as well as potentially revealing where it is most effective as well as its current limits.

16. Rather could the problem be with policies that share a common characteristic, such as being horizontal policies or policies that affect multiple sectors in an economy? It may be that trading partners are more resistant to altering policies that benefit firms in many sectors of their economy.

17. In this Figure the data point for the USA is marked in yellow to differentiate it from other EU trading partners.

FIGURE 14

EU EXPORT EXPOSURE CORRELATES WELL WITH OUTSTANDING COMPLAINTS - BUT THE USA[17] IS AN OUTLIER

6. ASSESSMENT OF THE EVIDENCE

What makes interpreting the evidence presented here more difficult is the fact that, unlike the EU Trade Barrier regulation [18] of old or the US approach to unilateral enforcement (that was best encapsulated by the debate over the efficacy of so-called Section 301 [19]), there is precious little published independent analysis of the EU's current Market Access Strategy. [20]

One way to frame this discussion is to start by observing that an effective enforcement strategy should remove foreign trade distortions and deter foreign governments from implementing them in the first place. To put the matter starkly, on the basis of the evidence presented in the last two sections, which trading partners fear Brussels? There is a considerable gap between the number of hits to EU commercial interests per year (between 250 and 350) and the average number of successful cases claimed by the European Commission (running on average at about 20 per year for the last three years for which data is available.) Even if the Commission's acknowledged success rate of 20-22% is correct, that implies that many foreign trade barriers are not being removed.

In terms of deterrent value, a success rate of 20% might be part of an effective strategy if the value of the harm inflicted on the trading partner by the European Commission were at least five times the trading partner's gain from imposing a trade distortion. [21] However, a review of the many success stories shows that DG Trade has sought (at most) the removal of an offending measure and has not asked for compensation for harm done or otherwise punished guilty offenders. In the light of these considerations, the traditional calculus of deterrence would imply that trading partners have little to fear from EU trade enforcement.

One might also wonder what impact the declining number of foreign trade distortions that the EC challenges in WTO dispute settlement has had on the trading partners' perceptions of the EU as a tough enforcer of trade rules. Indeed, if EU had been gaining a reputation for being a tough enforcer of rules, then surely its share of hits from protectionism would be going down over time. In fact, according to Global Trade Alert data, 47.5% of all protectionism imposed by non-EU members during 2009 and 2010 harmed the commercial interests of at least one EU Member State. For non-EU protectionism imposed during 2014 and 2015 that percentage has not fallen - in fact, it has risen to 49.8%.

When one turns from overall numbers to those for specific types of foreign trade distortion, the assessment does not improve. It may sound impressive that DG Trade has successfully sought changes to 84 foreign trade defence actions since 2008. But given that this number is approximately one-third of the total number of anti-dumping, countervailing, and safeguard duties imposed on EU firms since the global economic crisis began, then this must qualify how successful EU trade enforcement strategy has been.

While the amount of data on the exports potentially affected by foreign trade distortions that DG Trade has tackled is limited, the information available suggests that the sums involved are not that large. If the mean amount of exports affected per trade distortion and per trading partner (€133.3 million) is in the ball park, then – with 273 successfully removed interventions – a crude estimate of the total amount of European exports that have benefited from EC trade enforcement is under €37 billion. [22] This sum is to be contrasted with the total value of extra-EU exports which since 2008 has never fallen below one trillion euros.

In addition to the diminished use of WTO dispute settlement, the statistical analysis presented in section 4 suggests that neither the WTO accession process nor regional trade agreements have been used systematically by DG Trade to increase the number of times it has successfully countered foreign trade distortions. Trading partners that resort more frequently to discrimination against EU commercial interests during the crisis era do appear to have caught DG Trade's eye and more successful cases follow. But, as noted earlier, the relationship between greater foreign resort to protectionism and more EU success stories is far below one-for-one.

One might object to this assessment of the "success stories" on the grounds that it is based on DG Trade's claims about its enforcement activity. In cases where the EC engaged in dialogue with a trading partner that subsequently removed a barrier to commerce, without additional information it is difficult to judge how much of the removal decision can be attributed to DG Trade's intervention.

18. See Bronkers and McNelis (2001), Cremona (2001), Hoeller, Girouard, and Colecchia (1998), McNelis (1998), Rydelski and Zonnekeyn (1997), Siles-Brügge (2013), and van der Scheren and Luff (1996).

19. See Bello and Holmer (1988), Bhagwati (1990, 2014), Elliot and Bayard (1992, 1994), Hudec (1974), McMillan (1990), and Sykes (1990, 1992). From a strategic and incentive-based perspective the papers by Sykes are particularly interesting.

20. Tiedermann (2009) is one of the few independent analyses of the MAS, but the focus of that paper was on the Market Access Teams.

21. This calculation assumes for the sake of argument that the government of trading partner is risk-neutral. Those versed in law and economics will recognise the standard argument here that the net benefit (taking account of the probability of enforcement and the associated sanction) must be negative to deter an undesired act.

Some might also question what constitutes a "success" and to what extent partial successes really count. Rather than debate what is the right way to measure success, the approach taken here has been to take DG Trade's assessment of its enforcement actions at face value and then examine in some detail the implied record. For sure, to the extent that DG Trade has not trumpeted its enforcement success in recent years, or has drawn less attention to successes in some areas than in others, then this would have influenced the data set constructed and examined here.

When it comes to the data on the foreign trade distortions that the European Commission has still to tackle, two findings are worthy of further comment. First, the relatively low number of entries in MADB that relate to foreign trade distortions reported in 2011 to 2015 (as compared to the years 2006 to 2010) is potentially worrying. If these entries refer to the small number of the cases left after DG Trade had successfully tackled many others then fine—but that is hard to square with the self-professed success rate of around 20%.

Unless the criteria for inclusion in the MADB has been misunderstood and there are other cases that have been reported to the European Commission and not loaded on to the relevant website, then the question surely arises as to whether European business now places less faith in the Market Access Partnership as an effective means to tackle foreign trade distortions.

Second, the growing percentage of outstanding trade distortions that frustrate European business which have been implemented by the United States has two possibly different implications for the TTIP negotiations. One way to look at this finding is that it indicates just how demanding European trade negotiators must be of their American counterparts if in the future European exporters and investors are not going to face similar problems. An alternative implication to draw is that the United States government does not particularly fear retaliation from the European Union and so does little to rein in domestic constituencies seeking protection. If so, a perception of European weakness may also encourage an even tougher stance from Washington in the TTIP negotiations.

To conclude, it would be wrong to argue that EU trade enforcement since the revised Market Access Strategy came into effect has been without any success. The large number of entries in the Appendices of this Report speaks against such a sweeping conclusion. Still, the factual record suggests that there is plenty of room for improvement. The next section discusses a number of options in this regard.

22. Recall that the mean was computed from a relatively small sample of success stories. If the true mean is actually lower then the €37 billion figure would be an overestimate. It is noteworthy that the European Commission estimates that the removal of all non-tariff barriers accomplished by the Market Access Strategy increased EU exports to €2.4 billion in 2014 (Obadalek 2016).

7. STEPS TO STRENGTHEN EU TRADE ENFORCEMENT

One reaction to the underwhelming performance of EU trade enforcement outlined in this Report is to point to technical fixes that might improve the likelihood of foreign trade distortions being removed or the impact of such a successful outcome. On this view a logical way to proceed would be to break down the MAS process into stages, reviewing case selection, the tools available to DG Trade (including the potential for escalation over time), the possibilities for issue-linkage (not just in the area of trade policy but with other policies too), and the potential for greater collaboration within the European Union and with other influential trading partners that might have a stake in a particular troublesome foreign trade distortion.

Such an approach might yield lists of changes that seek to strengthen the EU trade enforcement regime, such as the following:

- ***Publication of a revised, more precise set of criteria for taking up complaints received from European business.***
- ***In cases where a foreign trading partner is likely to retaliate against a complaint by a European firm or business association, consideration of steps to preserve the anonymity of complaining parties.***
- ***Greater transparency in case selection including making public the rationale for not taking up a business complaint.***
- ***Creation of a public record of the treatment and current status of each complaint received concerning a foreign trade distortion.***
- ***Enhanced use of relevant WTO committees and committees set up to foster more harmonious commercial relations with trading partners—and a public record made of such interventions in each case.***

- ***Introduction of a rule that if a foreign trading partner has not announced plans to modify or remove an offending trade distortion within 12 months that there is a presumption that the case moves automatically towards some form of formal dispute settlement or mediation procedure.***

- ***More frequent resort to WTO dispute settlement cases—which could be reinforced by a rule that cases involving more than a threshold level of EU exports will be referred in the first instance to WTO dispute settlement and that there is a presumption that in almost every case a request for a Panel will be filed.*** [23]

- ***More extensive surveillance and polling of EU firms concerning the implementation of a regional trade agreement by a trading partner.***

- ***Insistence that regional trade negotiations can only begin once certain existing trade distortions have been removed.*** [24]

- ***Willingness to prolong the completion of a regional trade agreement negotiation should a new trade distortion be imposed by a negotiating partner.***

- ***Inclusion in regional trade agreements of clauses encouraging joint approaches to tackling the trade distortions of third parties.***

- ***Negotiation of bilateral or plurilateral mutual assistance accords that create a presumption in favour of joint approaches to tackling trade distortions of third parties.***

- ***Potential for suspension of GSP-related benefits for developing countries found to have introduced trade distortions affecting more than a certain level of EU exports.***

- ***Potential for denial of Aid For Trade and other aid funds (other than emergency humanitarian assistance) for developing countries found to have introduced trade distortions affecting more than a certain level of EU exports.***

A case could be made for each of these steps on one or more of the following grounds (each of which is likely to affect the willingness of European firms to complain in the first place): enhanced transparency, less discretion in rejecting and treating cases, quicker resort to binding dispute settlement, enhanced issue-linkage creating more severe sanctions for non-compliance, and enhanced collaboration within the EU and with other aggrieved parties.

For sure, questions can be raised about the practicalities of implementation of several of these steps and of the underlying policy questions raised. For example, are EU governments prepared under some circumstances to prioritise tackling foreign trade distortions over the objectives of aid policies for developing countries? Likewise, are EU governments prepared to delay the start or conclusion of a potentially beneficial regional trade agreement negotiation so as to address foreign trade distortions? The case for answering "yes" to both questions can be made but it would be wrong to deny that counterarguments exist.

When rethinking the design of the EU's trade enforcement regime there are, however, two more fundamental questions that need to be addressed. The first is: what economic losses is the EU prepared to accept, at least in the short to medium term in developing a tougher trade enforcement regime? This question needs to be asked because the ultimate weapon available to a government in trade matters are sanctions that limit trade or denial of benefits that might flow from delaying the signing a trade agreement.

Until the EU trade enforcement regime becomes sufficiently credible that it deters significantly more foreign trade distortions, sanctions will need to be applied to punish malfeasance and establish an incentive for compliance. For trading partners that will not be deterred come what may, then essentially punitive sanctions would still have to be applied pour encourager les autres and those sanctions are likely to harm some EU importers. A tougher EU trade enforcement regime will not come for free.

Another relevant consideration in this regard is that tougher EU trade enforcement is likely to encourage trading partners to take a harder look at the policies implemented by the European Commission and by all levels of government in the Member States. Since November 2008 official bodies throughout the European Union have implemented 681 acts that discriminate against foreign commercial interests, 441 of which are still in effect. Given the greater levels of transparency these days in policy choice, the vulnerability of the EU to retaliatory enforcement cannot be ruled out. This implies that if the EU really wants to have a tougher trade enforcement regime then it must expect to face more sanctions from trading partners (which EU exporters presumably dislike) or there must be a stronger commitment by all EU Member States to the non-discrimination principles of the world trading system.

The second fundamental question is what resources European governments are prepared to devote to

enhanced trade enforcement? It is evident from some of the complaints of European business as well as from DG Trade's own Annual Activity Reports that no one has argued that too many resources are being devoted to this activity. A reformed trade enforcement system that assures greater automaticity to complaints and results in more recourse to dispute settlement and mediation procedures is likely to be more resource intensive. During an era of stringent budgets at both the national and European level, if trade enforcement is going to be accorded a higher priority then what other state activity will suffer?

It is also important to appreciate that any resource-related bottlenecks are not just in Brussels and in the capitals of Member States. Lack of resources is slowing down markedly the operation of the WTO dispute settlement system, creating delays in taking up cases and thereby weakening the deterrent effect of multilateral trade rules. To give a flavour of what is at stake here, on 31 August 2015 Korea made the following forceful intervention at the WTO's DSB:

> **"However, WTO disputes were not about abstract disagreements. Real world economic interests underlay every single dispute. There were people who suffered real losses while a dispute was pending. The DS488 dispute illustrated this vividly. The dispute involved anti-dumping measures applied by the United States against imports of certain Korean steel products. As a result of these punitive measures, the affected Korean companies were sustaining losses of US$10 million a month. A delay of fifteen months meant losses of US$150 million. These were just the losses from the delay in getting the panel proceedings operational. By the time the panel report was actually received, the damage would likely be double that figure. These companies could very well have gone out of business by then and thousands of people could have lost their jobs. At that point, any ruling, however favourable, would have become an afterthought.**

> **"The problem would only get worse if left unaddressed. Long delays created perverse incentives by lowering the cost of adopting and maintaining WTO-inconsistent measures. Interest groups seeking protection would pressure Members to adopt those measures, insisting, rightly, that they would not be subject to review by the WTO for years. Members could therefore expect more protectionist measures and more, not less, disputes being brought to the WTO. These, in turn, would cause further delays, prompting a vicious, never-ending cycle. It was in the interest of everyone, the parties, the wider Membership and the Secretariat, not to let this happen. Korea fully appreciated the efforts being made by the Secretariat to improve the system under significant resource constraints. (WTO 2015, page 22).**

A large number of other WTO members, including representatives of the European Union, made similar points of concern during this discussion. If WTO dispute settlement is to play a greater role in the EU's trade enforcement strategy then more resources will have to be found to support not just the latter, the former too. One must not make the mistake of many analysts of putting the WTO on a pedestal - its principles are laudable but so much is lost in practice.

The purpose of this section has been to highlight not only the potential changes that could strengthen the EU's trade enforcement regime but also to discuss the more fundamental policy choices that should inform any reform. As I will argue in the concluding section, on balance there is a case for strengthening enforcement but that choice should be made with our eyes wide open.

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23. Recall the first stage of a WTO dispute is consultations with the trading partner in question, so creating this presumption does not eliminate the possibility of a negotiated settlement.

24. There is some evidence that Japan removed or amended certain trade distortions before its negotiations with the EU began (see an entry in Appendix G of this Report.)

One of the defining characteristics of the European Union has been its willingness to use binding accords, often centred around international commerce, as an instrument to promote many of its goals. To that end, the EU has not only actively engaged in multilateral trade negotiations for decades but has also developed an extensive network of regional trade agreements and associated accords.

The EU seeks to expand that network further, through the adoption and implementation of an accord with Canada and, to name just two initiatives, the negotiation of regional trade agreements with Japan and the United States. These negotiations, involving the heavyweights of the world economy, have attracted, more so in the case of TTIP, considerable opposition within Europe. It becomes all the important, therefore, that outward-oriented European firms and their workers speak up for these accords. Their willingness to do so, however, may be diminished if they feel that previous trade deals did not deliver their expected benefits because of foreign trade distortions. The enforcement of the EU's trading rights is thereby tied to the support for further European integration into key markets abroad.

This Report has turned the spotlight on the record of EU trade enforcement, in particular since the revised Market Access Strategy was adopted in 2007. The implementation of that strategy has been both unambitious (witness the target of solving 20% of cases within two years and the diminished recourse to WTO dispute settlement) and has resulted in less than impressive results. These findings, along with the imperative of reinforcing support within the European Union for further trade reform, provide a strong rationale for change.

Identifying steps to enhance the transparency, automaticity, sanctions, and credibility of the EU's trade enforcement system is not particularly difficult. What is more important is that decision-makers think through the more fundamental policy choices that come with a commitment to strengthening EU trade enforcement. More resources for such enforcement—in Brussels and at the WTO—is probably the easier part.

The harder choice relates to attitudes towards open borders. For those predisposed towards open borders, as I am, the realisation that a tougher EU trade enforcement regime will likely mean, at least in the short run, that more sanctions will be imposed on trading partners is not a comfortable one. But it is the price of gaining credibility with foreign governments.

For those more sceptical of the benefits of open borders, a commitment to a stronger EU trade enforcement regime will invite greater scrutiny of European policies by trading partners. In turn, this may result ultimately in more sanctions against European firms unless European governments eschew discrimination against foreign commercial interests.

For sure, talking tough on trade enforcement has considerable political appeal. However, any debate about strengthening the EU's trade enforcement regime should acknowledge the deeper policy choices being made—this is not a matter solely for technocrats.

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APPENDIX A

INFORMATION ON ENFORCEMENT FROM DG TRADE ANNUAL ACTIVITY REPORTS 2008-2014 AND DG TRADE MANAGEMENT PLAN 2015

ANNUAL REPORT FOR YEAR	INFORMATION INCLUDED ON PROTECTING EU INTERESTS IN THIRD PARTIES
2008	The Market Access Strategy (MAS) "is likely to be a core element in our approach to showing trade offers a practical response to the challenge of current economic conditions" (page 3). Institutional steps taken to implement MAS described (pages 15-7). No specific information presented on defending EU interests in third parties.
2009	"More than 200 key market access barriers" in 2009 (page 13). 150 of these "key barriers" relate to the EU's 30 most important export markets (page 11). The Report goes on to note on the same page "The barriers will be an important benchmark for future work on the MAS." "Around 30 market access barriers were eliminated" (page 11). EU involved in 37 WTO disputes (page 13).
2010	Under the MAS around 50 market access barriers were eliminated (page 14). Includes 17 of the 205 "key barriers" affecting business in 32 of the EU's main export markets (page 14). On the next page it is stated that the 205 barriers relate to those identified in 2009 and 2010. On 1 February 2011, the EU is "actively involved" 40 WTO disputes. In 16 of those disputes the EU is the complainant (page 15).
2011	At end of 2011 EU was involved in 18 offensive WTO disputes and defended itself in 23 cases (page 18). Commission raised numerous SPS cases in relevant WTO committee. Commission "brought up around 35 offensive cases per meeting" of the WTO's TBT committee (page 18). "About 45 barriers were fully or partially eliminated" (page 18). "Process of consolidating and updating key barriers identified since 2009 has continued. In 2011, progress was achieved in approximately 40 cases. Protectionist tendencies in some third countries, in particular emerging markets, are monitored closely" (page 20).
2012	"From the enforcement point of view 2012 has been an intense year, with many complex cases on removing trade barriers and tackling unfair trade. In dispute settlement, the EU has notably launched five new cases to tackle important trade barriers over the past 2 years compared to just six cases spread over the previous 4 years" (page 3). At end of 2012 the EU was involved in 18 offensive dispute settlement cases at the WTO and defended itself in 19 cases (page 22). "On a total of 220 key barriers (identified as priorities by the EU), positive developments to a varying degree have occurred in 70 cases. Twenty-eight barriers were completely removed or were no longer relevant. In the remaining 42 instances partial improvements have been secured" (page 22).
2013	Repeated same statistics on cases brought against foreign trade distortions as found in 2012 report. European Commission proposed a new "regulation on the exercise of the Union's rights for the application and enforcement of international trade rules" (page 23). Mentioned monitoring of implementation commitments by Russia (WTO accession) and following EU regional trade agreements with South Korea and CARICOM. With respect to the former the report notes "As Russia has introduced a number of WTO-incompatible measures, close measures of the situation is applied. In July 2013, the EU launched a WTO case against Russia on the recycling fee. This case will be followed up in the context of the subsidy system for the automotive industry" (page 22). "Sectoral market access working groups such as the one for SPS remain a central plank for the identification of market access obstacles and action to their resolution" (page 23).
2014	"Over the period 2013 and 2014, 17 barriers out of 76 newly introduced were resolved within the first 2 years of their inception (22%). In addition, 8 longstanding key barriers were resolved in 2014 alone" (page 25). As a target the report mentions "All relevant cases addressed appropriately with third countries and a high number (20%) partially/fully solved within maximum 2 years of their inception" (page 25). During 2014 the EU brought 5 new cases to WTO dispute settlement and responded to three new complaints brought against it. The report noted that the 5 new cases brought by the EU in 2014 was equal to the sum of the cases brought in 2012 and 2013. "There has been no dispute settlement cases brought under the EU's FTAs in 2014" (page 26) "Recent outbreaks of avian influenza in a number of Member States prompted a number of excessive market closures by key EU markets like South Africa, Hong Kong, Russia, Saudi Arabia, and Ukraine that will require extra attention in 2015" (page 25)
2015 (Management Plan)	"Negotiating trade rules is worth little if they are not enforced" (page 4). "220 key barriers identified as priorities. Approximately 40 to 50 additional barriers are registered every year. Of which on average 20% are partially/fully solved within 2 years of their appearance" (page 23). The Plan contains the following target "Address all relevant cases with third countries appropriately and maintain a level of 20% of partially/fully solved cases within maximum 2 years of their inception" (page 23). "We will continue to monitor the compliance of WTO members' commitments under their membership. DG Trade notably follows Russia, which is a member since 2012, where ongoing deals cover the automotive and gas sectors" (page 26). Some details on the monitoring of implementation of regional trade agreements signed in recent years can be found on page 26 of this Plan.

APPENDIX B

NUMBER OF SUCCESS STORIES CLAIMED BY EUROPEAN COMMISSION IN REPORTS PUBLISHED 2008-2015, BY TRADING PARTNER AND TYPE OF POLICY INSTRUMENT

TRADING PARTNER	DISCRIMINATORY TAXATION	LICENSING REQUIREMENTS	SPS	TBT	GOVERNMENT PROCUREMENT	INTELLECTUAL PROPERTY RIGHTS	SERVICES AND INVESTMENT RELATED BARRIERS	EXPORT RESTRICTIONS	IMPORT RESTRICTIONS	NTBs	SUBSIDIES	TOTAL NUMBER PER COUNTRY
Algeria	0	0	0	0	0	0	1	0	0	0	0	1
Argentina	0	1	1	1	0	0	1	0	3	0	0	7
Australia	0	0	0	0	0	0	0	0	4	0	0	4
Belarus	0	0	1	0	0	0	0	0	3	0	0	4
Brazil	0	0	3	2	1	2	1	0	5	0	0	14
Canada	1	0	3	1	0	0	1	0	3	0	0	9
Chile	0	0	1	0	0	0	0	0	0	0	0	1
China	0	0	1	2	2	4	4	1	5	0	2	21
Colombia	0	0	0	1	0	0	0	0	1	0	0	2
EAEC	0	0	2	1	0	1	0	0	14	1	0	19
Ecuador	0	0	0	0	0	0	0	0	1	0	0	1
Egypt	0	1	4	2	0	0	0	0	3	0	0	10
GCC	0	0	1	0	0	0	0	0	2	0	0	3
Georgia	1	0	0	0	0	0	0	0	1	0	0	2
Guatemala	0	0	0	0	0	0	0	0	1	0	0	1
Honduras	0	0	0	0	0	0	0	0	1	0	0	1
Hong Kong	0	0	1	0	0	0	0	0	0	0	0	1
India	0	2	7	5	1	1	3	2	6	0	0	27
Indonesia	0	3	2	2	0	0	0	0	2	0	0	9
Israel	1	0	2	0	0	1	0	0	9	0	0	13
Ivory Coast	0	0	1	0	0	0	0	0	0	0	0	1
Japan	0	0	1	4	1	0	1	0	2	0	0	9
Jordan	0	0	1	1	0	0	0	0	1	0	0	3
Kazakhstan	0	0	0	0	0	0	0	0	2	0	0	2
Malaysia	0	0	2	0	0	0	0	1	1	0	0	4
Mexico	0	0	0	1	0	0	0	0	6	0	0	7
Moldova	0	0	0	1	0	0	0	0	0	0	0	1
Morocco	0	0	1	0	0	0	0	0	4	0	0	5
New Zealand	0	0	1	0	0	0	0	0	1	0	0	2
Panama	0	0	0	0	0	0	0	0	1	0	0	1
Peru	0	0	0	0	0	0	0	0	1	0	0	1
Philippines	0	0	7	1	0	0	1	0	1	0	0	10
Russia	0	0	1	1	0	1	0	0	8	1	0	12
Saudi Arabia	0	0	1	0	0	0	0	0	0	0	0	1
Serbia	0	0	1	0	0	0	0	0	0	0	0	1
Singapore	0	0	1	0	0	0	0	0	0	0	0	1
South Africa	0	0	4	0	0	0	0	0	3	0	0	7
South Korea	0	0	4	2	0	0	0	0	0	0	0	6
Switzerland	0	0	0	1	0	0	0	0	0	0	0	1
Taiwan	0	0	1	1	0	0	0	0	0	0	0	2
Thailand	0	0	3	0	0	1	0	0	3	0	0	7
Turkey	0	2	1	0	0	1	0	0	7	0	0	11
Ukraine	0	1	4	0	1	1	0	1	13	0	0	21
Uruguay	1	0	0	0	0	0	0	0	0	0	0	1
USA	0	0	6	2	0	0	2	0	7	1	1	19
Vietnam	1	0	1	0	0	0	0	0	1	0	0	3
Total per policy instrument	5	10	69	31	6	12	15	5	115	2	3	273

APPENDIX C

NUMBER OF OUTSTANDING ENTRIES IN THE MARKET ACCESS DATABASE IN DECEMBER 2015, BY TRADING PARTNER AND TYPE OF POLICY INSTRUMENT

TRADING PARTNER	DISCRIMINATORY TAXATION	SPS	TBT	GOVERNMENT PROCUREMENT	INTELLECTUAL PROPERTY RIGHTS	SERVICES AND INVESTMENT RELATED BARRIERS	EXPORT RESTRICTIONS	IMPORT RESTRICTIONS	NTBs	OTHER BARRIERS	TOTAL NUMBER PER COUNTRY
Algeria	0	0	0	0	0	1	0	0	3	1	5
Argentina	0	4	0	1	1	0	2	0	3	1	12
Australia	3	4	0	1	3	0	0	1	0	1	13
Bangladesh	0	0	0	0	0	0	0	0	1	0	1
Brazil	2	3	0	1	1	3	1	2	1	1	15
Canada	0	1	0	1	1	1	0	5	2	1	12
Chile	0	2	1	0	2	0	0	0	1	0	6
China	0	8	4	1	1	3	2	0	3	3	25
Colombia	0	2	0	0	0	0	0	1	1	1	5
Dominican Republic	0	0	0	0	0	0	0	1	0	1	2
Ecuador	0	2	0	0	0	0	0	1	0	0	3
Egypt	0	2	1	0	0	0	1	2	3	0	9
Hong Kong	0	0	1	0	0	0	0	0	0	1	2
Iceland	0	0	0	0	0	0	0	1	0	0	1
India	2	5	4	0	1	2	2	2	1	2	21
Indonesia	0	5	0	1	0	2	1	1	2	1	13
Israel	0	0	1	1	0	0	0	0	2	0	4
Japan	0	2	4	1	0	1	0	0	0	0	8
Kazakhstan	0	0	0	1	0	1	1	1	1	0	5
Malaysia	0	3	1	1	0	2	0	1	0	0	8
Mexico	0	7	1	0	2	1	0	0	2	0	13
Morocco	0	0	0	0	0	0	1	2	0	0	3
New Zealand	0	2	0	0	0	0	0	0	1	0	3
Nigeria	1	0	0	1	0	0	1	2	3	1	9
Norway	0	0	0	0	0	0	0	2	0	0	2
Pakistan	0	1	0	0	0	1	1	1	1	1	6
Paraguay	0	0	0	1	1	0	0	0	2	0	4
Peru	0	4	0	0	0	0	0	0	0	0	4
Philippines	0	1	0	1	1	1	0	0	1	2	7
Russiam Federation	1	3	1	1	2	2	0	5	4	2	21
South Africa	0	0	0	1	0	0	0	1	0	0	2
South Korea	0	3	3	0	0	0	0	0	1	0	7
Switzerland	0	0	0	0	0	1	0	0	1	1	3
Syria	0	0	0	0	0	0	0	0	1	0	1
Taiwan	0	3	3	1	5	0	0	0	1	3	16
Thailand	1	1	0	1	1	2	0	3	2	1	12
Tunisia	0	0	0	0	0	0	0	2	1	0	3
Turkey	0	1	0	0	2	0	2	3	2	1	11
Ukraine	1	1	0	1	1	0	0	1	1	0	6
United States of America	1	4	4	5	5	6	1	7	12	12	57
Uruguay	0	3	0	0	1	0	0	0	1	0	5
Venezuela	0	2	0	0	0	1	0	0	1	0	4
Vietnam	1	2	0	1	2	2	0	1	3	0	12
Total number of measures	13	81	29	24	33	33	16	49	65	38	381

CHARACTERISTICS OF SUCCESS STORIES AND UNRESOLVED TRADE DISTORTIONS OVER TIME

FIGURE 15

MANUFACTURING ACCOUNTED FOR HALF OF THE SUCCESS STORIES ALMOST EVERY YEAR

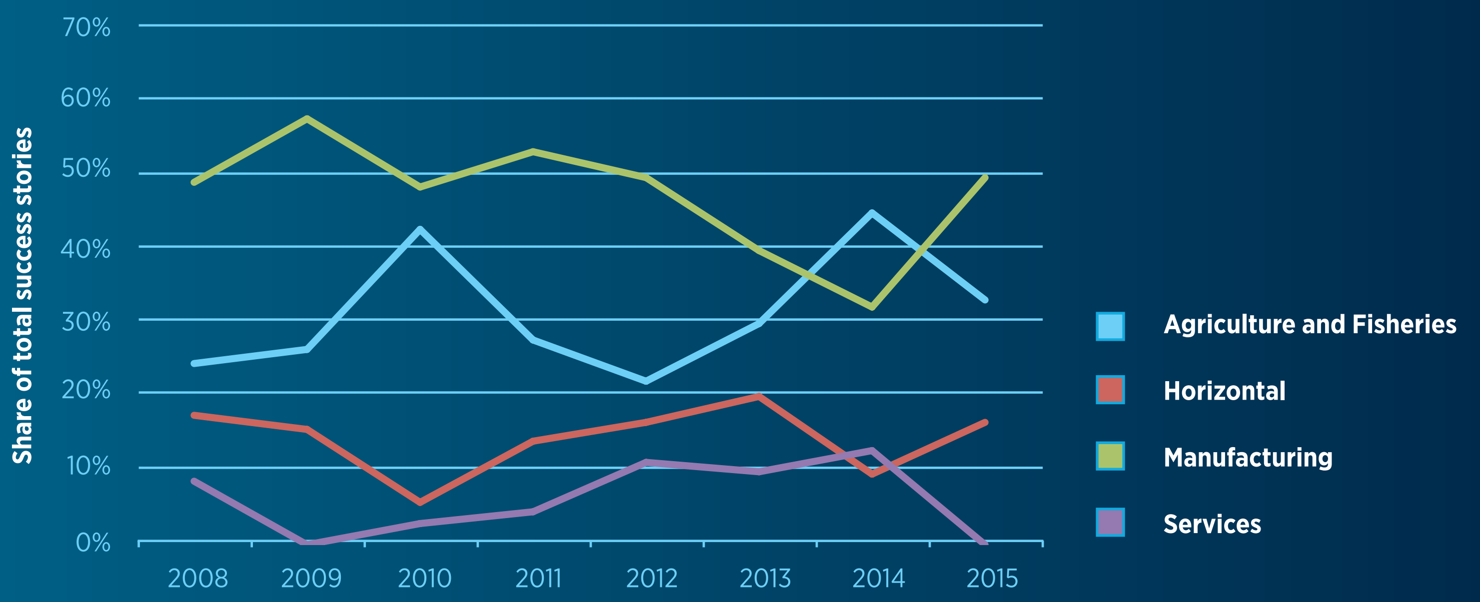


FIGURE 16

THE SHARE OF SUCCESS STORIES INVOLVING IMPORT RESTRICTIONS HAS SIGNIFICANTLY INCREASED OVER TIME

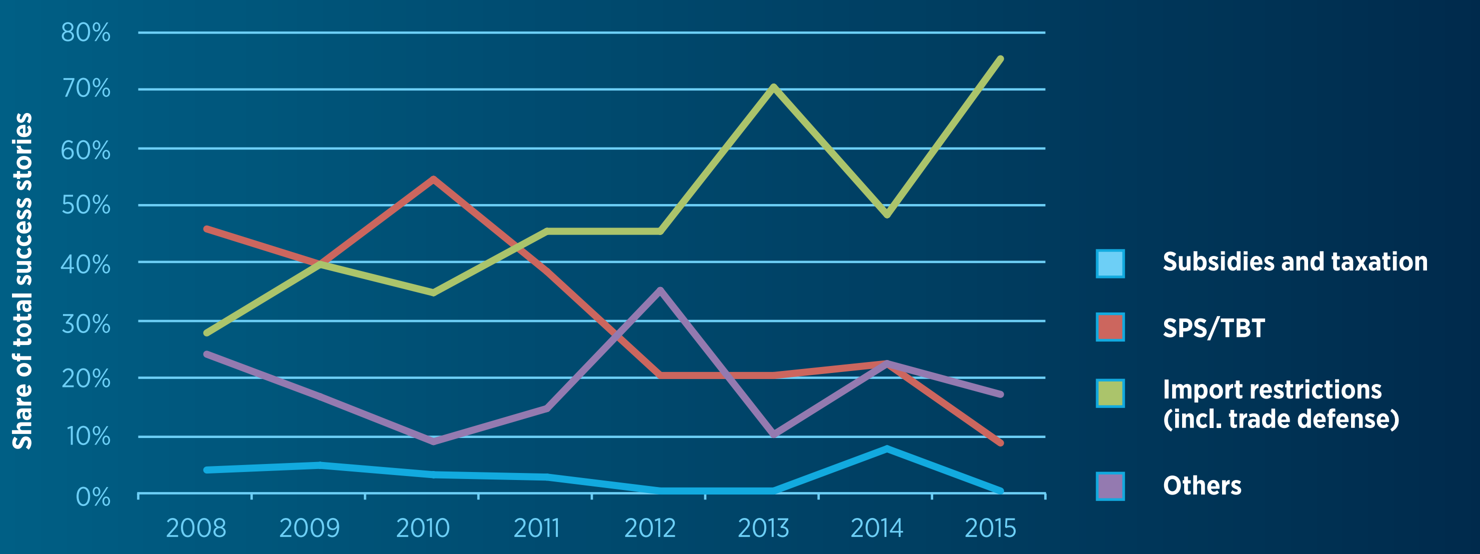


FIGURE 17

SINCE 1994, SPS, TBT, AND NTBS ACCOUNT FOR NEARLY ALL UNRESOLVED FOREIGN TRADE DISTORTIONS

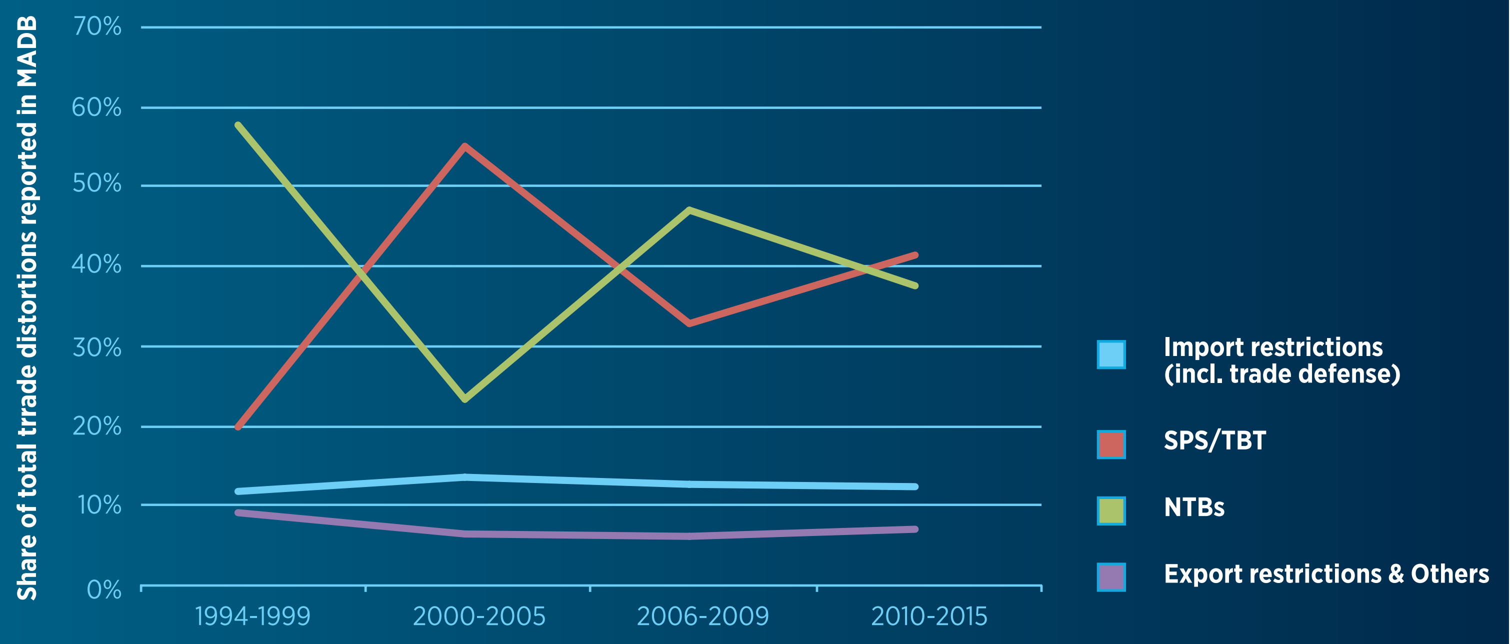
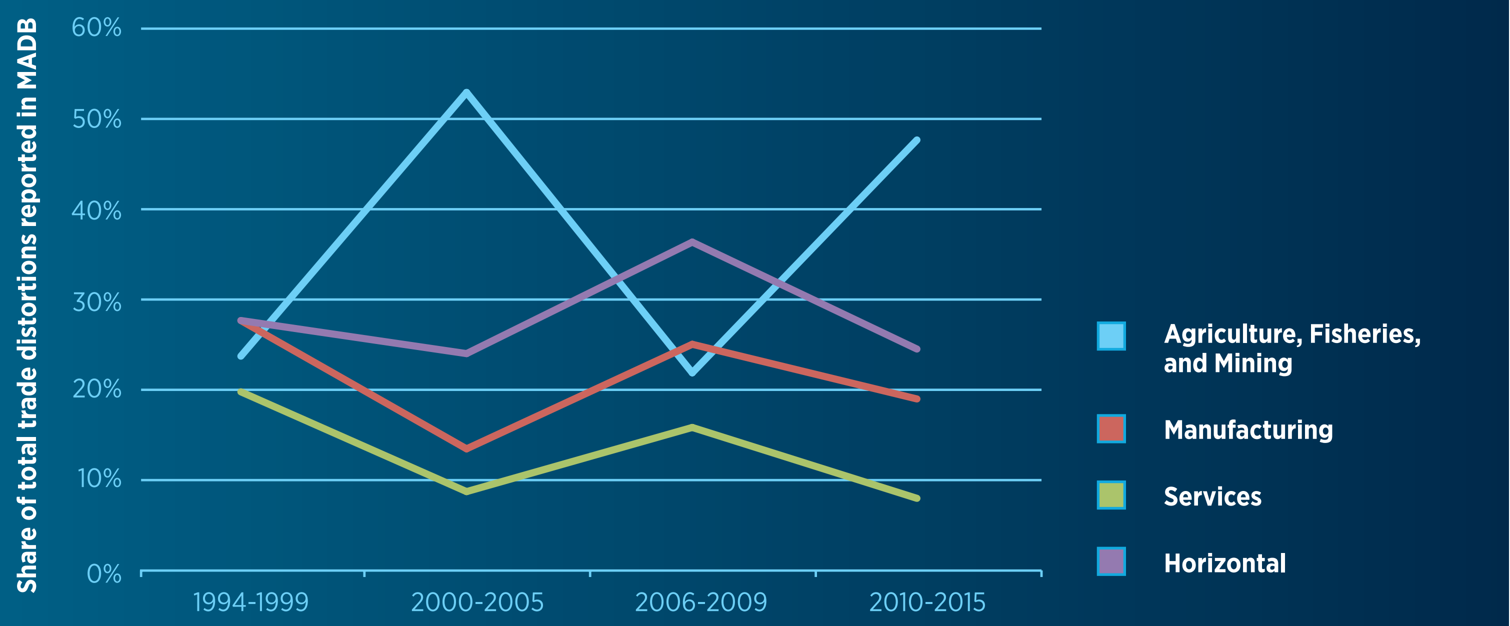


FIGURE 18

OF THE UNRESOLVED FOREIGN TRADE DISTORTIONS REPORTED EARLY IN THE CRISIS, HORIZONTAL MEASURES ABOUND



APPENDIX E

SPECIFIC EXAMPLES OF SUCCESSFUL REMOVAL OF FOREIGN TRADE DISTORTIONS MENTIONED IN 2008 AND 2009 REPORTS TITLED IMPLEMENTING THE MARKET ACCESS STRATEGY

MENTIONED IN REPORT FOR...	THIRD PARTY	PRODUCT OR SECTOR	TRADE DISTORTION	ACTION TAKEN BY EC AND THIRD PARTY	INFORMATION ON AMOUNT OF EU EXPORTS INVOLVED
2008	India	Tyres	TBT	Market Access Working Group formed in 2008 bringing together EC officials, officials from member states, and business. Cooperation with Japanese and US counterparts. Positions coordinated and undertook joint and parallel action. India agreed to postpone implementation by one year. However report notes that pressure must be sustained and Working Group will continue to monitor.	
2008	Japan	Human vaccines	Regulatory barriers	A Working Group was formed and explained the EC position through formal dialogues, informal interventions of the Delegation, letter from the Head of Delegation, and personal intervention by the Commissioner during a trip to Tokyo. Japanese officials responded by inviting European firms to join a forum to set standards and the Japanese Ministry of Health said it would speed up approval processes for vaccines and address concerns about non-transparency.	
2008	Brazil	Airlines	Parking fees	In support of EU airlines, the EU Presidency, Commission, and Member States wrote to Brazil to raise concerns about higher parking fees. Brazil considered alternative measures and ultimately abandoned the original plan.	In a Market Access Flash Note (number 8) an estimate from IATA of the additional cost per airline of $90 million is stated.
2008	Philippines	Ceramic Walls	TBT	Philippines was persuaded to align a new national standard with the existing ISO standard.	
2008	India	Ceramic Tiles	TBT	India "changed its draft regulation for quality control of ceramic tiles."	
2008	Japan	Cars	TBT	Japan postponed the date at which safety regulations for cars came into force so that European producers could meet the new standard.	
2008	Moldova	Beverages	TBT	Moldova altered legislation relating to quality and control standards for bottled non-alcoholic beverages allowing imports from the EU to continue.	
2008	Switzerland	Diesel engines	TBT	Switzerland agreed to amend a draft regulation on particle emissions from diesel engines.	
2008	Jordan	Ceramic Tiles	TBT	Jordan removed "unnecessary trade restrictive measures on ceramic tiles."	
2008	Russia	Cosmetics	TBT	Russia delayed the implementation of import restrictions on denaturants.	
2008	Korea	Cosmetics	TBT	Following a 1998 complaint by European producers the European Commission began a 10 year long process that resulted in an exchange of letters in July 2008 that removed the final TBT-related obstacles to cosmetic goods being imported into Korea.	€235 million
2008	Argentina	Textiles and clothing		Argentina removed certain unspecified trade barriers.	
2008	Mexico	Medicines		Mexico agreed to reduce the burdens on foreign firms. Details not provided.	
2008	China	Car parts	Import charges	In December 2008 the WTO Appellate Body ruled certain Chinese import charges illegal. In this case, the EU was joined by Canada and the USA.	
2008	Turkey	Copper scrap	Export licenses	Commission dialogue with Turkey said to improve the functioning of the export licensing scheme.	
2008	Ukraine		Export duties	In accession negotiations to the WTO the Ukraine agreed to lower and then bind export duties on certain goods.	
2008	Malaysia	Alcoholic beverages	Import ban	Discussions with Malaysia resulted in this ban being lifted on new alcoholic beverages. In a Market Access Flash Note (number 15) the European Commission was brought to its attention by the EU Malaysia Chamber of Commerce and Industry and by a Member State.	
2008	Vietnam	Alcoholic beverages	Discriminatory taxes	Vietnam agreed to change its discriminatory tax system on alcoholic beverages.	
2008	Russia	Alcoholic beverages	Import restrictions	In Russia's negotiations to accede to the WTO, in collaboration with the USA, the European Commission got Russia to agree to eliminate a second guarantee needed to import alcoholic beverages.	

MENTIONED IN REPORT FOR...	THIRD PARTY	PRODUCT OR SECTOR	TRADE DISTORTION	ACTION TAKEN BY EC AND THIRD PARTY	INFORMATION ON AMOUNT OF EU EXPORTS INVOLVED
2008	**Canada**	Wine and beer	Discriminatory taxes	Canada and the European Commission "reached a mutually agreed solution" for certain forms of excise tax relief and exemptions enjoyed by domestic producers of wine and beer.	
2008	**Argentina**	Animal products	SPS	Partial lifting of all restrictions accomplished.	
2008	**Egypt, Jordan, Philippines, Saudi Arabia, Thailand**	Beef	SPS	Lifting of BSE-related bans on imports. The lifting of the ban by the Philippines was mentioned in the 2009 report as well.	
2008	**Korea**	Pork	SPS	Lifting of Swine flu-related ban on imports.	
2008	**India**	Pork	SPS	"Persistent action" contributed to lifting of Swine flu-ban to India.	
2008	**Egypt**	Duck	SPS	Lifting of import ban.	
2008	**Korea**	Cheese	SPS	Lifting of import ban associated with Natamycin.	
2008	**South Africa, Ivory Coast**	Meat	SPS	Lifting of import ban associated with dioxins.	
2008	**Vietnam, Korea, and Taiwan.**	Food	SPS	Lifting of import bans associated with Melamine.	
2008	**Malaysia**	Animal products	Export fees	Removal of fees for firms wanting to export these products.	
2008	**Japan**	Mineral water	Import restrictions	Abolition of said restrictions.	
2008	**Mexico**	Olive Oil	CVD	Duties removed after a WTO Panel ruled in favour of European Union.	
2008	**Kazakhstan**		Import regulations	New customs law repealed "which imposed unreasonable obligations on EU exporters."	
2008	**Kazakhstan, Belarus, and Georgia**		Import regulations	After several representations from the EU, these countries no longer ask for an export declaration from goods shipped from the EU.	

MENTIONED IN REPORT FOR...	THIRD PARTY	PRODUCT OR SECTOR	TRADE DISTORTION	ACTION TAKEN BY EC AND THIRD PARTY	INFORMATION ON AMOUNT OF EU EXPORTS INVOLVED
2008	**Vietnam**	Import distribution	Regulatory measure	Report claims that after "high-level demarches to discussions in the framework of the Joint Committee" Vietnam agreed to allow foreign firms to choose their import distributors.	
2008	**China**	Financial information services	Regulatory measure	With Canada and the USA, the EU filed a WTO dispute against China for rules that mandated foreign financial information service providers must operate through an agent to be chosen by the Chinese government. A Memorandum Of Understanding was signed on 13 November 2008 between these countries allowing foreign financial information providers to choose their distributor.	
2008	**Japan**		Merger regulations	The report claims "the Commission in cooperation with business helped reshape the implementing regulations for cross-border mergers."	
2008	**Brazil**	Dredging services	Public procurement	Commission action was said to help open up public procurement tenders for European firms. In Market Access Flash Note (number 13) the Commission reports that the issue was first raised at the 1st EU-Brazil Maritime Transport Dialogue and in the EU-Brazil Joint Committee. Member States have joined this dialogue too.	The tenders in question involve contracts worth €114 million.
2008	**USA**	Air transport		The report states "...we are opening markets through a first stage Air Transport Agreement."	
2008	**USA**	Accounting standards	Regulatory standards	US and EU have agreed to mutual recognition of these standards.	
2008	**Algeria**		Investment regime	In December 2008 Algeria adopted a much more restrictive regime towards foreign investments. This regime was felt to break the obligations of the bilateral Association Agreement with the EU and could affect the operations of 1600 EU firms operating in Algeria. A letter from the EU Commissioner of Trade to her counterpart in Algeria outlined these concerns and they were repeated at the Association Council meeting on 16 June 2009. Subsequently Algeria decided to exempt existing foreign subsidiaries engaged in trade from certain requirements. New investors, however, would not be exempt. The Commission said it will continue to monitor the situation.	

MENTIONED IN REPORT FOR...	THIRD PARTY	PRODUCT OR SECTOR	TRADE DISTORTION	ACTION TAKEN BY EC AND THIRD PARTY	INFORMATION ON AMOUNT OF EU EXPORTS INVOLVED
2008	China	Telecommunications parts	Intellectual property	The report notes "Small, but substantial progress in the ICT sector was made by facilitating a breakthrough technology transfer licence agreement between a European telecommunications equipment manufacturer and its Chinese counterpart, encouraging more European and Chinese companies to conclude such agreements."	
2008	China	Cement	Intellectual property	A European firm was able to successfully win a trademark infringement case against Hong Kong-registered firms. No information on the role of the European Commission was provided.	
2008	China	Confectionary	Intellectual property	A European manufacturer was able to win a trademark infringement case before the Supreme People's Court. No information on the role of the European Commission was provided.	
2008, 2009	India	Wines and spirits	Import duties	After consultations (the first step of a WTO dispute settlement case), India agreed to remove supplementary duties on wines and spirits. The latter duties varies from 25% to 150%. Some of these duties were implemented at the state level. Measure reported in the 2009 Report with more details in Annex 1(B).	
2008, 2009	Colombia	Alcoholic beverages	TBT	Colombia agreed to introduce "less trade restrictive labelling requirements for alcoholic beverages." This case was mentioned in the 2009 report as well.	
2008, 2009	China	Information technology	TBT	On national security grounds China had proposed new mandatory certification rules for IT products. EU position coordinated with Japan and USA. Matter raised at the TBT committee at the WTO, with supportive comments made by Canadian and Korean officials as well. China then cancelled implementation of new rules and sought dialogue with foreign manufacturers and officials. Matter mentioned again in 2009 report, noting that implementation was delayed until 2010 and restricted only to public procurement tenders.	
2009	Taiwan	Medical devices	TBT	Report claims that "following close co-operation between Member states, industry, and Commission services" free sales and manufacturing certificates were accepted.	
2009	Brazil	Medical devices	TBT	A joint intervention with the USA, Canada, and Switzerland was a "contributing factor" to the issuance of a clarification notice concerning new Brazilian good manufacturing practices.	

MENTIONED IN REPORT FOR...	THIRD PARTY	PRODUCT OR SECTOR	TRADE DISTORTION	ACTION TAKEN BY EC AND THIRD PARTY	INFORMATION ON AMOUNT OF EU EXPORTS INVOLVED
2009	Russia	Textiles	Customs procedures	Evidence of "abusive practices" were shown to the Russian authorities. It is not stated how the Russian government responded.	
2009	USA	Textiles	TBT	Dialogue with a US government agency on the nature of certification and testing requirements. It is not stated how the US agency reacted.	
2009	India	Hides and Skins	SPS	Matter said to have been resolved. The report noted "the European Commission expressed its concerns to India on many occasions." The report noted the cooperation occurred "specifically in the context of the Market Access Strategy mechanisms." In a Market Access Flash Note (number 22), it is stated that "The Commission expressed its concerns to India on many occasions." The Note describes the wide range of EU organisations involved in this case.	EU exports of raw hides and skins totalled €113 million.
2009	Egypt	GPS-equipped devices	Import licences	After in-depth study by the European Commission and a formal letter from the head of the EU Delegation to the National Telecommunications Regulatory Agency "as well as joint pressure from the EU and US," the Egyptian authorities decided in April 2009 to allow imports of GPS technology.	
2009	Indonesia	Beef	SPS	BSE-motivated import ban of beef lifted.	Exports from Ireland only. In 2000, the year before the ban was imposed, Ireland exported 24,000 tonnes of beef to Indonesia worth €28.5 million.
2009	Brazil	Toys	TBT	In August 2007 Brazil issued Decree No. 327/2007 outlining two certification systems for toys. The European Commission feared that one of these schemes was particularly burdensome, made representations in Brasilia and to the WTO TBT committee. In October 2009 Brazil issued a new Decree, amending the previous one. Many of the changes were ones sought by the European Commission but some reservations remain. Monitoring will continue.	

MENTIONED IN REPORT FOR...	THIRD PARTY	PRODUCT OR SECTOR	TRADE DISTORTION	ACTION TAKEN BY EC AND THIRD PARTY	INFORMATION ON AMOUNT OF EU EXPORTS INVOLVED
2009	Ukraine		Import tariffs	In March 2009 Ukraine introduced a 13% import surcharge (tariff) on the grounds of Balance of Payments difficulties. Ukraine did so without consulting the relevant WTO committee or the IMF, which is established practice. When those bodies examined the case, they rejected the justification of the Ukrainian government and demanded the removal of the measure, which took place on 7 September 2009. According to the report "the joint demarche of the EU, US, and Japan played an important role in eliminating this barrier."	
2009	Belarus		Tariffs	Certain temporary tariff increases were reversed. No further details are provided in Annex 1(B) of the Report.	
2009	Belarus	Pig meat	SPS	Import ban eliminated. No further details are provided in Annex 1(B) of the Report.	In 2008 exports totalled 54,775 tons.
2009	Canada	Stuffed articles	TBT	A Canadian province withdrew a proposal for new TBT measures. No further details are provided in Annex 1(B) of the Report.	
2009	China		Government procurement	China accepts that foreign-invested companies are Chinese for the purpose of "Buy National" provisions on public procurement. No further details are provided in Annex 1(B) of the Report.	
2009	Georgia	Cigarettes	Discriminatory taxes	Georgia eliminated discriminatory taxes. No further details are provided in Annex 1(B) of the Report.	
2009	India	Tyres, steel and some other unspecified products	Import regulations	According to Annex 1(B) India moved several products from a "restricted" list to a "free list" as far as certain import restrictions are concerned.	
2009	India	Apples and Pears	SPS	India included these products in a Plant Quarantine Order. No further details are provided in Annex 1(B) of the Report.	
2009	India	Poultry and pork	SPS	India lifted on 28 August 2009 conditions limiting imports of these products on account of Avian flu. Note that an earlier entry in this table for 2008 mentions relaxation of restrictions on pork on the same grounds (potential duplicate entry).	
2009	Indonesia	Alcoholic beverages	Import regulations	Indonesia "opened the possibility to increase the number of authorized importers." No further details are provided in Annex 1(B) of the Report.	
2009	Indonesia	Tyres	TBT	Indonesia agreed to review its standards "with an aim to adopt international standards." No further details are provided in Annex 1(B) of the Report.	
2009	Indonesia	Textiles	Import licenses	Indonesia reduced number of textile products requiring import licenses. No further details are provided in Annex 1(B) of the Report.	
2009	Philippines	Meat	SPS	Philippines removed discriminatory accreditation requirements. No further details are provided in Annex 1(B) of the Report.	
2009	Russia	Mobile phones	Import regulations	Russia agreed not to check every imported mobile phone. No further details are provided in Annex 1(B) of the Report.	
2009	Russia		SPS	A new Decree mandates reviews of SPS measures and to bring them in line with international standards. No further details are provided in Annex 1(B) of the Report.	
2009	South Africa	Pork	SPS	South Africa agreed to lift a ban in import of pig meat from Ireland. . No further details are provided in Annex 1(B) of the Report.	Exports from Ireland
2009	Thailand	Wines and Spirits	Customs valuation	Thailand has stopped using unspecified WTO-incompatible customs valuation methods for wines and spirits. . No further details are provided in Annex 1(B) of the Report.	
2009	Thailand	Pork and pig meat	SPS	Thailand agreed to lift H1N1 flu-related ban on imports of pig meat. No further details are provided in Annex 1(B) of the Report.	
2009	Ukraine		Import regulations	Requirements to present export declarations dropped. No further details are provided in Annex 1(B) of the Report.	
2009	Ukraine	Animal products	SPS	"Unnecessarily strict" inspection requirements on imported animal products are not to be enforced. No further details are provided in Annex 1(B) of the Report. In a Market Access Flash Note (number 31), the European Commission stated that it was joined by other trading partners in expressing their concerns to Ukraine.	In 2008 the amount of EU exports that would have been affected by this measure would have been over €700 million.
2009	Uruguay	Wines and Spirit	Discriminatory taxation	Uruguay removed taxes that disadvantaged EU products. No further details are provided in Annex 1(B) of the Report.	
2009	USA	Energy		US Department of Energy removed limits on foreign entities applying for funding for research projects involving energy. No further details are provided in Annex 1(B) of the Report.	The total value of funding available is $30 million.

APPENDIX F

SPECIFIC EXAMPLES OF SUCCESSFUL REMOVAL OF FOREIGN TRADE DISTORTIONS MENTIONED IN DG TRADE'S ANNUAL ACTIVITY REPORTS, 2009-2014

MENTIONED IN REPORT FOR...	THIRD PARTY	PRODUCT OR SECTOR	TRADE DISTORTION	ACTION TAKEN BY EC AND THIRD PARTY	INFORMATION ON AMOUNT OF EU EXPORTS INVOLVED
2009	**Russia**	Steel		"Bilateral steel agreement" with Russia	
2009	**Kazakhstan**	Steel		Quantitative limits on steel imported into EU agreed.	
2009	**China**	Textiles		Imports "closely monitored."	
2009	**Uruguay**	Alcoholic spirits	Discriminatory taxation	TBR investigation. Change in Uruguayan legislation.	
2009	**USA**	Beef	SPS	US abandoned carousel sanctions and kept sanctions at USD79 million. EC agreed to provide additional duty-free access for high quality beef and to expand the duty-free part of associated tariff-rate quotas.	
2009	**India**	Hides and skins	SPS	India revised certification requirements.	€117 million.
2009	**China**	Pork	SPS	China revised certification requirements.	€546 million.
2009	**Belarus**	Pork	SPS	Belarus lifted H1N1 influenza-related restrictions.	54,775 tons of pig meat exported in 2008.
2009	**Ukraine**	Animal and animal products	SPS	Ukraine lifted inspection requirements.	€700 million.
2009	**Brazil**	Toys	TBT	Brazil eased conformity requirements "although certain issues related to the practical implementation of the new Decree remain nevertheless of potential concern for the EU toy industry."	
2009	**Philippines**	Meat	SPS	Philippines removed discriminatory accreditation conditions.	
2010	**Egypt**	Textiles	TBT	Egypt altered its labelling requirements. In a Market Access Flash Note (number 38) the European Commission states that it was first alerted to this measure in October 2009 by Member States and industry. A letter was sent by the EU Delegation in Cairo to the Egyptian government, followed up by several meetings with the Ministry of Trade and Industry. The matter was also on the agenda of the 27 January 2010 meeting of Egypt-EU Subcommittee on Industry, Trade and Investment.	EU exports of apparel, clothing accessories, carpets, linen etc. were worth €67 million in 2008 and €60 million in 2009.

MENTIONED IN REPORT FOR...	THIRD PARTY	PRODUCT OR SECTOR	TRADE DISTORTION	ACTION TAKEN BY EC AND THIRD PARTY	INFORMATION ON AMOUNT OF EU EXPORTS INVOLVED
2010	**Canada**	Postal services		Canada eliminated a postal monopoly on letters for delivery abroad with the enactment of the Canada Post Corporation Act. In a Market Access Flash Note (number 40), the European Commission noted that it was discussing these types of services with Canada as part of the ongoing negotiations for a regional trade agreement.	This measure affected firms from Belgium, Netherlands, Germany, and the UK. The Canadian market was worth $150 million in 2006.
2010	**Israel**	Spirits	Discriminatory tax	Report refers to "joint market access actions at various levels contributed to a reform..."	
2010	**Indonesia**		Import licensing	Changes made by Indonesia "after various interventions by the Commission." Indonesia also exempted European companies from certain import licensing and import controls.	
2010	**Argentina**	Clothing	Import requirements and rules of origin	Argentina dropped various requirements that the report claimed harmed the EU clothing industry in particular. In a Market Access Flash Note (number 44) the European Commission stated that it raised the problem in bilateral contacts through the EU Delegation in Buenos Aires as well as in the Joint Committee in 2009 and 2010.	Exports of clothing in 2008 were €60 million and €49 million in 2008 and 2009, respectively. In the first half of 2010 the exports totalled €31 million.
2010	**India**	Tyres	TBT	India postponed implementation of certification regime and mandatory standards. In a Market Access Flash Note (number 37) the European Commission stated that "many efforts were undertaken in the context of the EU-India bilateral trade relations to present EU industry's concerns to the Indian authorities."	
2010	**Indonesia, Thailand, and Ukraine**	Pork	SPS	Remaining H1N1 influenza-related import restrictions lifted.	More than 1300 tons of pig meat and pork were exported in 2008 to Thailand. Exports to Indonesia in that year amounted to €0.4m.
2010	**USA**	Seeds	SPS	Joint accord with USA on procedures to pass on information to third markets about re-exported seeds.	

MENTIONED IN REPORT FOR...	THIRD PARTY	PRODUCT OR SECTOR	TRADE DISTORTION	ACTION TAKEN BY EC AND THIRD PARTY	INFORMATION ON AMOUNT OF EU EXPORTS INVOLVED
2010	GCC, Malaysia, Singapore, Philippines, and South Africa	Beef	SPS	Restrictions related to BSE lifted on imports of beef from some EU member states. In a Market Access Flash Note (number 45), the European Commission stated that it, its Delegation, and Member States "regularly raised this issue with Malaysia in all available fora and in every bilateral meeting, at technical and political level." In a Market Access Note (number 46) the same formulation was used to describe contacts with the Philippine government.	In 2000, before the ban by the Philippines was introduced, exports to that country exceeded 19,000 tons of beef and were valued at over €24 million. In 2000 EU exports of beef to Malaysia totalled €1.2 million.
2010	Canada	Caffeinated drinks	SPS	No details given about the "improvements or full solutions achieved."	
2010	Chile	Semen	SPS	No details given about the "improvements or full solutions achieved."	
2010	China	Sweet wine	SPS	No details given about the "improvements or full solutions achieved." In a Market Access Flash Note (number 36), the European Commission said it raised this matter several times with Chinese official representatives and repeatedly raised this matter at the SPS and TBT Committees of the WTO.	The total value of exports of all wines to China in 2009 was €200 million.
2010	Egypt and Morocco	Seed potatoes	SPS	No details given about the "improvements or full solutions achieved."	
2010	Egypt	Cotton	TBT	No details given about the "improvements or full solutions achieved."	
2010	India	Breeding horses	SPS	No details given about the "improvements or full solutions achieved."	
2010	Israel	Lanolin	SPS	No details given about the "improvements or full solutions achieved."	
2010	Malaysia	Soft cheese	SPS	No details given about the "improvements or full solutions achieved." A Market Access Flash Note (number 34) stated that the European Commission expressed its concerns to Malaysia about this measure.	In 2008 over 500 tons of cheese with a value of €3 million were exported.
2010	South Korea	Emmenthal cheese	SPS	No details given about the "improvements or full solutions achieved." In a Market Access Flash Note (number 39) the European Commission said that its Delegation and Member States had repeated complained about this measure.	In 2009 exports to Korea totalled almost 6,000 tons of cheese with a value of €23 million. The cheese in dispute comes from France.

MENTIONED IN REPORT FOR...	THIRD PARTY	PRODUCT OR SECTOR	TRADE DISTORTION	ACTION TAKEN BY EC AND THIRD PARTY	INFORMATION ON AMOUNT OF EU EXPORTS INVOLVED
2011	India	Telecoms equipment	Security requirements	India withdrew security requirements imposed in 2009.	€1 billion
2011	China	Raw materials	Export restrictions	EU wins WTO Panel case against China.	
2011	Brazil	Pay TV		Brazilian Congress eliminates regulatory restrictions that disadvantaged Pay TV at expense of Cable TV.	
2011	USA		Antidumping	EU and US "found a solution" to eliminate zeroing in antidumping administrative reviews.	
2011	USA	Wide bodied aircraft	Subsidies	Commission won the "Airbus" appeal in longstanding Boeing-Airbus case.	
2011	USA	TKAST (steel)	Antidumping	US removed antidumping measure "after EU requested dispute settlement consultations."	
2011, 2012	India, Brazil	Generic medicines	Intellectual property	According to 2011 report these disputes "were successfully contained." Claim repeated in 2012.	
2011, 2012	USA	GMOs	SPS	According to 2011 report this dispute and others "were successfully contained." Claim repeated in 2012.	
2011, 2013	Russia	Wood		EU and Russia agreed a tariff rate quota on Russian exports to come into effect when the latter joined the WTO. Claim repeated in 2013 report.	
2012	Brazil, China, Russia, Thailand, Turkey, and Ukraine		Intellectual property	"Technical exchanges were held in the context of our bilateral IPR dialogues with relevant authorities in key countries where EU rights holders face difficulties." In case of Brazil there was "progress" in registering EU geographical indications and in influencing forthcoming legislation.	
2012	Colombia, Ecuador, Guatemala, Honduras, Mexico, Panama, and USA	Bananas	Various import restrictions	WTO dispute settlement cases settled with Latin American complainants.	
2012	Canada	Renewable energy	Local content requirement	WTO Panel report ruled in EU's favour.	
2012	USA	Wide bodied aircraft	Subsidies	Report claims "we achieved a positive result in the Boeing appeal."	
2012	China	Raw materials	Export restrictions	WTO Appellate Body rules against Chinese export restrictions (in a case bought by the EU, USA, and Mexico.)	

MENTIONED IN REPORT FOR...	THIRD PARTY	PRODUCT OR SECTOR	TRADE DISTORTION	ACTION TAKEN BY EC AND THIRD PARTY	INFORMATION ON AMOUNT OF EU EXPORTS INVOLVED
2012	**Argentina**	Biodiesel	Import restrictions	According to report this and other disputes "were successfully contained."	
2013	**Brazil, Japan, Thailand, and USA**	Beef	SPS	According to the report European Commission "persistence helped remove barriers to safe EU beef exports. The barriers had unjustifiably stayed in place long after the EU had solved mad –cow disease."	
2014	**China**	Cargo freight	Discriminatory taxation	Report claimed China repealed legislation.	
2014	**Philippines**	Banking	Market access	Report claimed Philippines opened its banking system to foreign ownership.	
2014	**Korea**	Pharmaceuticals		Report claimed Korea delayed new legislation on pricing of medicines.	
2014	**Brazil**		Tariffs	Report claimed Brazil was no longer using more than 100 exceptions to the MERCOSUR Common External Tariff.	
2014	**Canada**	Pears	SPS	Report claims that "initial actions by the Commission" resulted in greater market access.	Exported from Belgium
2014	**Canada**	Applies	SPS	Report claims that "initial actions by the Commission" resulted in greater market access.	Exported from Poland
2014	**USA**	Beef	SPS	Report claims that "initial actions by the Commission" resulted in greater market access.	Exported from Ireland
2014	**Turkey**	Live Cattle	SPS	Report claims that "initial actions by the Commission" resulted in greater market access.	
2014	**China, Japan, Honduras, Saudi Arabia, Singapore, Taiwan, and Uruguay**	Meat and meat products		These products were included as examples to support the following claim in the report "The EU's market access drive continues to produce concrete market openings..."	
2014	**China**	Dairy and milk products (including chocolate)		These products were included as examples to support the following claim in the report "The EU's market access drive continues to produce concrete market openings..."	
2014	**Japan**	Cheese		These products were included as examples to support the following claim in the report "The EU's market access drive continues to produce concrete market openings..."	

APPENDIX G

SPECIFIC EXAMPLES OF SUCCESSFUL REMOVAL OF FOREIGN TRADE DISTORTIONS MENTIONED IN DG TRADE'S TRADE AND INVESTMENT BARRIER REPORTS, 2011-2015

MENTIONED IN REPORT FOR...	THIRD PARTY	PRODUCT OR SECTOR	TRADE DISTORTION	ACTION TAKEN BY EC AND THIRD PARTY	INFORMATION ON AMOUNT OF EU EXPORTS INVOLVED
2011	**Argentina**	Manufacturing	Customs practices	«Strict requirements for the determination of origin on the import of products manufactured outside the EU but exported to Argentina from the EU: request of an invoice from the original manufacturer as well as an original certificate of origin, legalised in the country of manufacture. This practice is now discontinued.»	«The EU›s total exports of clothing to Argentina dropped from €60 million in 2008 to €49 million in 2009, while exports grew gradually in the first six months of 2010, to the value of €31 million.»
2011	**Brazil**		SPS	«Brazil allows for inspection missions to the 27 EU MS, which is a precondition for pre-listing.»	
2011	**China**	Sweet wine	SPS/TBT	«Amendment to national legislation setting limits to the maximum level of sulphur dioxide in sweet and fruit wines, which will allow EU exporters to export sweet and fruit wines to China without any more additional testing.»	«Given substantial recent growth generally in exports of wines to China and Chinese consumer tastes, we believe that opening this niche market will significantly increase the level of exports to China, which was worth about €200 million for all wines in 2009.»
2011	**Canada**	Postal sector	Investment restrictions	«Elimination of Canada Post›s monopoly on letters intended for delivery to an addressee outside of Canada (so-called outbound international mail). The sector is now open to competition.»	«Canadian market for outbound international mail, a market worth around 150 million Canadian dollars in 2006 of which European operators had held a significant share which decreased further to the legal actions brought by Canada Post.»
2011	**Canada**	Soft drinks	SPS	«Ban on caffeinated soft drinks, except cola type drinks lifted.»	
2011	**Chile**	Bovine/ovine semen	SPS	«Import restrictions on bovine and caprine/ovine semen have been lifted. A draft regulation solving the issue of restrictions on bovine embryos has been notified to the WTO.»	«EU export of bovine semen to Chile amounted to €650 000 in 2009; export of ovine/caprine semen amounted to €350 000 in 2008.»

MENTIONED IN REPORT FOR...	THIRD PARTY	PRODUCT OR SECTOR	TRADE DISTORTION	ACTION TAKEN BY EC AND THIRD PARTY	INFORMATION ON AMOUNT OF EU EXPORTS INVOLVED
2011	Egypt	Textile products	TBT	«Modification of the labelling requirements for textile products.»	«The total trade with Egypt subject to the labelling (textile and clothing) rules amounted to approximately €81.5 million in 2009. Between 2006 and 2009 to exports of clothing to EGY[pt] almost doubled in value from €33 million to €50 million. The value of exports in textiles grew over the same period from €195 million to €224 million.»
2011	Egypt	Cotton	SPS	«As from 18 March 2010, EU Member States were no longer be able to export cotton to Egypt because the fumigant/pesticide (methyl bromide) required by the Egyptian authorities has been forbidden in the European Union since then on. In October 2010, Egypt allowed the use of other effective alternative substance[s] internationally recommended.»	«EU export amounted to €70 million in 2009.»
2011	Egypt	Seed potatoes	SPS	«Possible ban on seed potatoes due to new requirements which should have entered into force in August 2010. In August 2010, Egypt announced that it would not introduce the new announced requirements.»	«EU export amounted to €45 million in 2009.»
2011	GCC	Bovine/bovine products	SPS	«Ban on bovine and bovine products due to BSE risk and applied to all EU MS lifted.»	«Value of EU export amounted to €72 million before the ban applied in 2000.»
2011	India	Radial tires	Import licensing	«Radial tyres moved back to ‹free› category (radial tyres belonging to a restricted category of products for import licensing).»	«The size of the market averaged €3.3 million between 2004 and 2009, with a positive peak of €6.6 million in 2006 and a negative one of almost zero export in 2008 (not related to the measure, but rather to the crisis). In 2009, export amounted to €1.6 million.»
2011	India	Steel/iron articles	Import licensing	«Articles of iron and steel moved back to the ‹free› category and elimination of Import [Licenses] requirements.»	«It should result in an increase in EU exports (which have been affected by the measure since 2008) and to will permit to reach the amount of €300 million export per year.»
2011	India	Tyres	TBT	«India published a further 6 month postponement of the entry into force of the Quality Control Order (mandatory certification for tyres).»	
2011	India	Horses	SPS	«Import conditions for breeding horses have been modified.»	
2011	India	Apples, Pears	SPS	«The establishment process of Pest Risk Assessment (PRA) provoked undue delays in export of apples and pears. In January 2010 PRA was finally established.»	
2011	Indonesia	Pork products	SPS	«Lift[ing] of all temporary import restrictions imposed on pork products from EU Member States, based on measures due to pandemic H1/N1 influenza virus.»	«In 2008, EU Member States exported pork products worth approximately €400,000 to Indonesia.»
2011	Indonesia	Pharmaceuticals	Licensing requirement	“Amendment of Decree 45/2009 by Decree 39/2010 lifting the double import licensing system and allowing one legal entity to import both production and finished products.” A Market Access Flash Note (number 42) states “The EU delegation, jointly with the European Chamber of Commerce, held intense discussions with the Indonesian authorities...” Monitoring will follow. The Note also states that despite the positive changes, the importation of both final goods and raw materials is still subject to restrictions.	«Indonesia is an important and growing market for the EU pharmaceutical industry, given its increasing middle-class and health-insurance coverage. EU exports of pharmaceuticals to Indonesia amounted to nearly €124 million in 2009. Between 2005 and 2008, the Indonesian market for EU pharmaceuticals increased by 72%. The EU Member States that were mostly concerned by Regulation No. 45 were DE, UK, BE.»
2011	Indonesia	Food, Medicine, Cosmetics	TBT	«The ‹halal regulation› prohibiting the marketing of any food substance, medicines and cosmetics containing un-halal substances was lifted.»	
2011	Indonesia		Licensing requirement	«Fast lane for EU exports and shipments - exemption from decree 56/2008.»	
2011	Israel	Alcoholic beverages	Discriminatory taxation	«Reform of Israeli tax regime for alcoholic spirits entered into force on 1 January 2010. The reform is for a non-discriminatory specific tax rate for all spirits as of 1 January 2014. The arrangements for the transition period are less clear.»	

MENTIONED IN REPORT FOR...	THIRD PARTY	PRODUCT OR SECTOR	TRADE DISTORTION	ACTION TAKEN BY EC AND THIRD PARTY	INFORMATION ON AMOUNT OF EU EXPORTS INVOLVED
2011	**Israel**	Lanolin	SPS	«The Israeli authorities removed in January 2010 an effective prohibition of imports of lanolin of products containing lanolin from certain EU countries. All EU producers are now able to export to IL if they provide a statement that the product in question is in line with relevant EU requirements.»	
2011	**Israel**	Vaccines	SPS	«Animal vaccines: The Israeli authorities launched in February 2010 the final procedure to register an animal vaccine (Livacox Q) produced in the UE.»	
2011	**Israel**		IPR	«Important progress has been achieved notably on data protection and patent term extensions. Israel has moved towards a regime compliant with WIPO Treaties.»	
2011	**Japan**	Radar technology	TBT	«Modification of criteria for short-range radar technology impacting on the use of radio frequency bands.»	
2011	**Malaysia**	Cheese	SPS	«Cumbersome testing requirements on consignments of imported cheese from EU Member States were lifted»	«In 2008, the EU exported over 500 tons of cheese with a value of over €3 million to Malaysia.»
2011	**Malaysia**	Beef	SPS	«BSE-related ban on imports of beef and beef products from the EU was lifted.»	«In the year 2000, before the introduction of the ban, exports of EU beef to Malaysia were valued at over €1.2 million.»
2011	**New Zealand**	Milk products	SPS	«Milk products had to be pasteurised or heat-treated to enter the NZ market, which was equivalent to a ban on raw milk products. Now import of raw milk is allowed.»	
2011	**Philippines**	Beef	SPS	«The Philippines lifted its ban on imports of beef and beef products from the United Kingdom (BSE- related).»	«In the year 2000, before the introduction of the ban, exports of European beef to the yes Philippines exceeded 19,000 tonnes and were valued at over €24 million.»
2011	**Philippines**	Beef	SPS	«The Philippines lifted its ban on imports of beef and beef products from Germany (BSE-related).»	«In the year 2000, before the introduction of the ban, exports of European beef to the yes Philippines exceeded 19,000 tonnes and were valued at over €24 million.»
2011	**Philippines**	Beef	SPS	«The Philippines lifted its ban on imports of beef and beef products from Spain (BSE-related).»	«In the year 2000, before the introduction of the ban, exports of European beef to the yes Philippines exceeded 19,000 tonnes and were valued at over €24 million.»
2011	**Philippines**	Beef	SPS	«The Philippines lifted its ban on imports of beef and beef products from Portugal (BSE-related).»	«In the year 2000, before the introduction of the ban, exports of European beef to the yes Philippines exceeded 19,000 tonnes and were valued at over €24 million.»
2011	**Philippines**	Poultry	SPS	«Recognition of the regionalisation principle for some EU MS for a ban on poultry and poultry products due to avian influenza»	«Export of poultry meat in 2009 amounted to €1.5 million.»
2011	**Singapore**	Bovine/bovine products	SPS	«BSE-related ban on bovine and bovine products from the EU was lifted for some MS.»	
2011	**South Africa**	Poultry	SPS	«Ban on poultry and poultry products from ES, without applying the regionalisation principle, due to avian influenza.»	
2011	**South Africa**	Beef	SPS	«BSE-related ban on beef applied to all EU MS was lifted»	
2011	**South Korea**	Cheese	SPS	«Import ban of French Emmenthal was lifted. The reason of the ban was the quantity of proprionic acid exceeding the limits set by the Korean legislation and being considered a food additive.»	In "2009, the EU exported almost 6,000 tons of cheese to South Korea with a value of over €23 million to South Korea. The Free Trade Agreement is expected to enter into force still this year, and will lead to a substantial improvement in the market access conditions for EU cheese in South Korea.»

MENTIONED IN REPORT FOR…	THIRD PARTY	PRODUCT OR SECTOR	TRADE DISTORTION	ACTION TAKEN BY EC AND THIRD PARTY	INFORMATION ON AMOUNT OF EU EXPORTS INVOLVED
2011	South Korea	Organic food	TBT	«Double-certification process on organic processed foods and their ingredients, without providing any specific mechanisms to deal with internationally traded goods. It was announced that the legislation for organic processed and unprocessed food will be streamlined into a single system, with reference to international standards and the possibility of recognition of equivalent foreign systems + grace period until adoption of new legislation.»	
2011	Thailand	Pork	SPS	«All import restrictions, imposed as a measure against the pandemic H1N1 influenza virus, on pigs and pig products from EU Member States were lifted»	
2011	Ukraine	Agrochemicals	Import licensing	«Improvement of import licensing regime for agrochemicals.»	
2011	Ukraine	Animal products	SPS	«The proposal to introduce new inspection requirements for all EU establishments exporting animals and animal products at risk to UA was withdrawn»	«Before the crisis, EU exports to UA were constantly increasing (90% between 2007 and 2008). EU Exports amounted to €490 million on average between 2005 and 2009. In 2008, EU exports reached a peak of nearly €800 million.»
2011	Ukraine	Pork	SPS	«Ban on pigs and pig products due to H1N1 influenza was lifted.»	
2011	Ukraine	Plant products	SPS	«Draft legislation on stringent certification requirements for plant and plant products was not adopted.»	
2011	Ukraine	Poultry	SPS	«Ban on poultry and poultry products from ES, without applying the regionalisation principle.»	
2011	United States	Renewable energy	Procure-ment	«Reversal of the proposal to introduce restrictions on participation of foreign entities in R&D projects to be funded.»	
2011	Ukraine		Procure-ment	«‹Buy Ukrainian› problem was solved by a new Public Procurement Law which came into force in summer 2010 and lifts the previously existing discrimination against foreign companies willing to participate in the public tenders.»	

MENTIONED IN REPORT FOR…	THIRD PARTY	PRODUCT OR SECTOR	TRADE DISTORTION	ACTION TAKEN BY EC AND THIRD PARTY	INFORMATION ON AMOUNT OF EU EXPORTS INVOLVED
2011, 2012, 2013	China		Procure-ment	«The TIBR 2011 had indicated that the Commission›s persisted action had paid off for one of the most systemic issues on the list of bilateral trade irritants (…) Important progress was indeed achieved in the first half of 2011 on the so-called ‹indigenous innovation› policy which is based on the principle of providing access to public procurement only for innovative products whose intellectual property is of Chinese origin»; however, «progress (…) remains fragile.»	
2012	India	Bovine semen	SPS	«In March 2011, India agreed, in writing, on several suggestions made by the EU to bring the Indian import requirements on bovine semen in line with the international standards of the World Organisation of Animal Health.»	
2012	Japan	Medical devices	TBT	«Following regular contacts with the Ministry of Health, Labour and Welfare, ‹pre-market› approval procedures applied in Japan for medical devices were clarified and a small improvement in the process was achieved for certain categories of medical devices.»	
2012	Japan	Railways	Procure-ment	«In the framework of GPA negotiations, which were successfully concluded in December 2011, Japan undertook the commitment vis-a-vis the EU to apply the operational safety clause in railways procurement in a transparent and non-discriminatory manner.»	
2012	Russia	Car parts	Import restrictions	«In order to reduce the risk that this investment regime may lead to delocalization from the EU during the transitional period, the Commission has negotiated a bilateral agreement with the Russian Federation which will establish a compensation mechanism which will come into play if exports of car parts to Russia fall following the introduction the Russian measures.»	
2012, 2013	United States		NTB	«As a result of a number of actions, including from the EU, the US Department of Homeland Security delayed the requirements for 100% container scanning that were scheduled to take effect in July 2012, for two years.»	
2012, 2013	China	Information security sector	TBT	«Some limited progress has been made but difficulties remain on obtaining OSCCA [Office of the State Commercial Cryptography Administration] certification for products with encryption»; the progress was however related to local content requirement.	

MENTIONED IN REPORT FOR...	THIRD PARTY	PRODUCT OR SECTOR	TRADE DISTORTION	ACTION TAKEN BY EC AND THIRD PARTY	INFORMATION ON AMOUNT OF EU EXPORTS INVOLVED
2012, 2013	**India**	Cotton yarn, Raw cotton	Export restrictions	«In August 2011, the Indian government had indeed lifted all remaining quantitative restrictions on raw cotton. However, this progress was threatened immediately after the TIBR publication in 2012 since a new partial ban introduced on 5 March 2012 prior to a formal removal on 4 May. Following bilateral and sectoral talks with the Indian Government, the EU obtained commitments from the Indian side not to introduce export restrictions in the next season.» In 2012 report: «The issue was raised on many different occasions including at Director General level.»	
2012, 2013, 2014	**Argentina**		Import licensing	EC›s contribution unclear; «non-automatic licences were eliminated (except for bicycles) in January 2013.»	
2012, 2013, 2014	**India**	Single-brand retail	Investment restrictions	EC›s contribution unclear; «positive development in single-brand retail investments. Following the opening of the sector, some European companies have already applied for and received licences.»	
2012, 2013, 2014	**China**	Raw Materials	Export restrictions	«China has implemented the positive ruling of the 31 January 2012 WTO Appellate Body report on raw materials export restrictions.»	
2012, 2013, 2014	**India**	Telecom network elements	TBT	EC›s contribution unclear; «India has also postponed on two occasions the mandatory testing and certification requirement of telecom network elements for security reasons to 1 July 2014»	«The progress achieved has contributed to solving the most relevant issues for the EU industry. India›s total telecom equipment market had a value of around €16.7 billion in the financial year 2010-2011.»
2013	**Japan**	Beef	Import ban	«Japan has also decided to lift the ban on import of beef from France and the Netherlands for animals of less than 30 months.»	Exports from France and the Netherlands.
2013	**Russia**		Tariff	After Russia›s WTO accession, removal of the tariff hikes adopted in 2008 during the crisis.	
2013	**India**	Airlines	Investment restrictions	EC›s contribution unclear; «decision to increase FDI in airlines.»	
2013	**India**	Tyres	Export restrictions	EC›s contribution unclear; «In September 2012, India removed on of the most burdensome elements of the scheme, notably the prohibition of selling IS-marked (Indian Standard) tyres outside the Indian market (…) This had been a long standing request of the EU industry.»	

MENTIONED IN REPORT FOR...	THIRD PARTY	PRODUCT OR SECTOR	TRADE DISTORTION	ACTION TAKEN BY EC AND THIRD PARTY	INFORMATION ON AMOUNT OF EU EXPORTS INVOLVED
2013, 2014	**India**	Steel products	TBT	EC›s contribution unclear; «Regarding mandatory compliance of steel products with new national standards and certification by the Bureau of Indian Standards (BIS), the date of entry into force of mandatory certification requirements for certain steel products was shifted to April 2014. In addition, in August 2013, some products that are directly supplied for major projects subject to some conditions (in infrastructure, petroleum, manufacturing products involving high-end technologies, nuclear reactors, defence, chemicals and petro-chemicals, and fertiliser sectors) were exempted from the certification scheme."	
2013, 2014, 2015	**Japan**	Pharmaceuticals, Food additives, Beef, Medical devices		Very unspecific, Japan has apparently «already complied with the commitments it took during the preparatory phase prior to the launch of the FTA negotiations. On some other (…) significant progress can be reported.»	
2014	**China**		Investment restrictions	EC›s contribution not stated; establishment of the China (Shanghai) Free Trade Zone.	
2014	**India**	IT and consumer electronics	TBT	EC›s contribution unclear; «India has also formally extended a grace period for the compulsory registration of 15 categories of IT and consumer electronics goods to 3 January 2014 (the original date was 3 April 2013).»	
2014	**India**	Telecoms sector	Investment restrictions	EC›s contribution unclear; India opened up its telecoms sector to a 100% foreign ownership.	
2014	**Brazil**		Tariff	EC›s contribution unclear; list of 100 temporary exceptions to the Common External Tariff terminated; also, «a new list of 100 CET exceptions envisaged in early 2013 was eventually not enforced»	
2014	**Argentina**	Oil	Investment expropria-tion	In 2012, Argentina expropriated 51% of the Argentine unit of Spain's oil company Repsol without providing compensation; «In late November 2013, an agreement of principle for compensation was reached between Argentina and [Spanish oil company] Repsol on the suspension of legal actions and on a process for determining a compensation amount.»	
2014	**United States**	Agriculture	SPS	EC›s contribution unclear; US expanded list of EU members considered free of Classical Swine Fever and a number of other diseases.	

MENTIONED IN REPORT FOR…	THIRD PARTY	PRODUCT OR SECTOR	TRADE DISTORTION	ACTION TAKEN BY EC AND THIRD PARTY	INFORMATION ON AMOUNT OF EU EXPORTS INVOLVED
2014	**China**	Regional aircraft	Subsidy	EC›s contribution not stated; «China notified EU on 9 September 2013 it had repealed Circular 51, issued in 2000, and Circular 97 of 2002, which granted a VAT exemption on sales of specific models of domestically manufactured regional aircrafts in China.»	
2014	**China**	Transport services	Subsidy	EU met on 12.12.2013 Chinese authorities to correct «the discriminatory effects of Circular 37» (VAT introduction on freight forwarders to China) «and once again exempts the logistics industry from the VAT and surcharge.»	According to foreign industry representatives, estimated costs of the tax were €2 million per week.
2014	**India**	Electronic goods, Telecom products	Procure-ment	EC›s contribution not stated; «the implementation of the preferential procurement policies for domestically manufactured electronic goods and telecom products due to security considerations set out in 2012 has been suspended by the government»; on 23 December 2013 new legislation dropped the security clause but retained it for public procurement.	
2015	**Brazil**	Beef	SPS	EC›s contribution not stated; softened import requirements.	
2015	**China**		Investment restrictions	EC's contribution not stated; relaxed restrictions in Foreign Investment Catalogue.	
2015	**China**		Investment restrictions	EC's contribution not stated; slightly relaxed "negative list" of the Shanghai Pilot Free Trade Zone.	

APPENDIX H

SPECIFIC EXAMPLES OF SUCCESSFUL REMOVAL OF FOREIGN TRADE DISTORTIONS MENTIONED IN MARKET ACCESS FLASH NOTES ISSUED SINCE JANUARY 2008 AND NOT MENTIONED IN OTHER SOURCES CONSULTED FOR THIS STUDY

FLASH NOTE NUMBER, DATE	THIRD PARTY	PRODUCT OR SECTOR	TRADE DISTORTION	ACTION TAKEN BY EC AND THIRD PARTY	INFORMATION ON AMOUNT OF EU EXPORTS INVOLVED
9, March 31 2008	**Turkey**	Alcoholic beverages	Import licences	On 22 February 2008 Turkey ended the requirement that importers of these products provide a "Certificate of Conformity for Imports" issued by the Tobacco and Alcohol Board. The Note states "The issue was raised by the Commission on many occasions bilaterally. It is also included as part of an opening benchmark in the Accession process chapter entitled 'Free circulation of goods'." The Note also states that the Commission will continue to monitor developments and advocate the removal of all import licensing requirements for alcoholic beverages.	
35, March 24 2010	**Egypt**	Lamps	TBT	In October 2008 a new mandatory standard for energy saving lamps came into effect. This standard went beyond the accepted international standard in two respects and was not notified to the WTO. The Note states that the EU Delegation in Cairo held several meetings with affected businesses and Member States; letters were sent to the Ministry of Trade and Industry and the Egyptian Organisation of Standards (EOS). "The EU also requested Egypt to notify the Egyptian standard to the WTO and provide a reasonable time frame before the application of the requirements for European producers to adapt to new specifications." In January 2010 the EOS adopted a new standard, based on the relevant European standard.	EU exports of energy saving lamps are worth €3.4 million.
47, February 14 2011	**Mexico**	Cosmetics	TBT	On 26 January 2011 Mexico relaxed the requirement that the ingredients of cosmetic products be translated into Spanish, which had "created additional and excessive costs for EU companies."	In 2009 EU exports to Mexico of cosmetics were €304 million.

MENTIONED IN REPORT FOR...	THIRD PARTY	PRODUCT OR SECTOR	TRADE DISTORTION	ACTION TAKEN BY EC AND THIRD PARTY	INFORMATION ON AMOUNT OF EU EXPORTS INVOLVED
48, March 11 2011	**Hong Kong, Philippines, Serbia**	Animal feed and food	SPS	"Hong Kong, the Philippines and Serbia are to lift all import restrictions they introduced after the dioxin incident in Germany," which took place in December 2010. The Note states "The European Commission—together with Germany and the EU Delegations in those third countries where import restrictions persist—continue to press the competent authorities to lift any remaining unjustified import bans or additional testing requirements."	In 2010 exports of pig meat from the EU were valued at €3.9 billion.
49, April 29 2011	**India**	Cotton yarn	Export restriction	On 31 March 2011 the Indian government announced that as of 1 April 2011 the export restrictions on yarn would be removed. Export contracts would still have to be registered and quantitative restrictions on raw cotton will remain. According to the Note "The European Commission has raised these concerns with India at many different occasions, including at Director-General level. The EU Delegation in Delhi had several meetings with the relevant Ministries to set out the EU's concerns on the Indian measures."	
50, October 25 2011	**India**	Food products	SPS	On 12 October 2011 the Indian food standards authority (FSSAI) removed some of the restrictions on imported food products, some of which perishes quickly. Testing, certification, and other requirements have been altered. The Note states "Many efforts were undertaken in the context of the EU-India bilateral trade relations to present EU's concerns to the Indian authorities. The EU Delegation in New Delhi played a crucial role and frequently met with FSSAI officials to solve issues at stake."	India imported approximately €270 million agricultural and fish products in 2010.
51, May 08 2012	**Philippines**	Meat and meat products	SPS	In 2012 Philippines introduced a requirement that all imported offal and deboned meat be tested for salmonella. The measure was not notified to the WTO. The European Commission contends that not all local production was so tested. The Note states "The EU, other trading partners and industry expressed their concerns on this unnecessarily trade disruptive and disproportionate measure." The Philippine measure has been revoked.	In 2011 total EU exports of affected products exceeded €118 million.

APPENDIX I

SPECIFIC EXAMPLES OF SUCCESSFUL REMOVAL OF FOREIGN TRADE DEFENCE MEASURES MENTIONED IN ANNUAL REPORTS TITLED OVERVIEW OF THIRD COUNTRY TRADE DEFENCE ACTIONS AGAINST THE COMMUNITY, 2008-2015

MENTIONED IN REPORT FOR...	THIRD PARTY	PRODUCT OR SECTOR	TRADE DISTORTION	ACTION TAKEN BY EC AND THIRD PARTY	INFORMATION ON AMOUNT OF EU EXPORTS INVOLVED
2008	**USA**	Horizontal	Antidumping	Following a WTO dispute (DS294) filed by the European Commission, in April 2007 the USA implemented partially (in the Commission's view) the ruling of the WTO panel on the practice of "zeroing." The Commission has filed another case (DS350) to address its outstanding concerns.	
2008	**USA**	Steel bars	Antidumping	"The Commission, together with the industry concerned, subsequently claimed within the framework of expiry reviews that, as a result of these revocations, the market shares of the remaining exporters still subject to the duties were much lower than in the overall initial volumes, and therefore no material injury was likely to occur for the domestic industry. This argument was accepted and the USA revoked the anti-dumping measures and/or countervailing orders on stainless steel bar from France, Germany, the UK and Italy due to the absence of likelihood of recurring material injury for the US industry."	
2008	**India**		Not specified	"Our intervention was successful at least in one case. Indeed, despite no co-operation from the EU industry, India concluded in 2007 that the measure should be maintained for all countries concerned by the investigation with the exception of those concerning the EU."	
2008	**China**	Horizontal	Antidumping	"While this issue was raised constantly with Chinese authorities in the context of individual cases, unfortunately no major improvements were noted. Therefore this issue was raised again in the context of a bilateral 'Best Practices Group' during which the Chinese administration was given detailed examples of how the EC handles this aspect of investigations. The Chinese have welcomed our advice on this matter and indications are that they will improve this aspect of their cases in the future."	

MENTIONED IN REPORT FOR...	THIRD PARTY	PRODUCT OR SECTOR	TRADE DISTORTION	ACTION TAKEN BY EC AND THIRD PARTY	INFORMATION ON AMOUNT OF EU EXPORTS INVOLVED
2008	**Mexico**	Pesticides, Welded pipes	Antidumping	"The Commission actively supported and assisted the Danish producer in this case. The prohibitive provisional measures of more than 90% were challenged on the grounds of erroneous calculation of the margin of dumping and, after various interventions, Mexico finally accepted the price undertaking offered by the Danish exporter. Even if a termination of the investigation without any kind of measures would have been a preferable outcome in this case, at least the negative economic impact was minimised and market access ensured. (...)The second case concerns an anti-dumping investigation against imports of welded pipes from Germany. Although a provisional measure was also imposed in this case, the Commission intensely intervened at various levels, mainly on grounds of a lack of evidence that the domestic industry suffered of any threat of material injury, as alleged by the Mexican authorities at provisional stage. These efforts were successful and finally Mexico decided to terminate the case without imposition of any measure."	Exports from Denmark and Germany
2008	**Ukraine**		Safeguards	"..the Commission was successful in the case for the three safeguard measures imposed by Ukraine in 2007. These measures only apply to imports below a certain price, which effectively does not concern EU exports that are above that price level."	
2008	**Turkey**	Motorcycles	Safeguards	"..the Commission emphasises that the safeguard instrument should only be used in exceptional circumstances, it is used against fair trade, unlike anti-dumping and countervailing duties, and also because any resulting measures have a negative impact also for those exporters that do not cause any injury. Where measures cannot be avoided, the Commission promotes types of measures which have a minimum negative effect on EU exporters.(...) The same success can be reported in the case of measures imposed by Turkey against imports of certain motorcycles. Although provisional measures under the form of a specific duty per piece was imposed simultaneously with the initiation of this case, after various interventions, the definitive measures introduced in 2007 were also only applied to imports below a specific import price. As a result EU exports were not affected as their prices are, on average above the threshold."	
2008	**Australia**	Pig meat	Safeguards	"On 14 December 2007 and again on 4 April 2008, the Australian investigating authority proposed not to impose measures, since no causal link was found between imports and the difficult situation of the Australian pig farmers, the principal cause of injury being the higher domestic feed prices (pig producers worldwide, including in the EU, face a similar situation). This case is an example of good coordination among EU, Member State and EU industry to avoid the imposition of measures which are not legally warranted."	

MENTIONED IN REPORT FOR...	THIRD PARTY	PRODUCT OR SECTOR	TRADE DISTORTION	ACTION TAKEN BY EC AND THIRD PARTY	INFORMATION ON AMOUNT OF EU EXPORTS INVOLVED
2009	**USA**	Horizontal	Antidumping	Second zeroing case; "the AB confirmed the main EU claims on appeal, rejected all grounds of appeal put forward by the US and upheld the Panel's findings that the US was in breach of its WTO obligations by applying zeroing in annual reviews. Therefore, the US is required to implement the recommendations and rulings in this dispute and may request a 'reasonable period of time' to do so."	
2009	**Mexico**	Olive oil	Countervailing	"The WTO Panel requested by the EU found that the countervailing measures imposed by Mexico against imports of olive oil from the EU were in breach of certain WTO provisions. Those measures were terminated following the decision of a Mexican national court that endorsed the Commission's arguments that were put forward in the course of the WTO proceeding."	
2009	**Ukraine**	PVC profiles	Safeguard	"The Commission closely followed this investigation given the high economic interest of the EU industry – a yearly export value of around 100 m EUR, mainly from Germany and Poland – and the weaknesses that were identified. The Commission coordinated its interventions with the EU industry and outlined the main weaknesses related to the lack of serious injury and missing causal relationship between the imports and any alleged problems of the domestic industry. These interventions proved to be successful as the case was terminated without measures on grounds of lack of determination of a serious injury."	
2009	**Turkey**	Electrical appliances, Cotton yarn	Safeguards	"The objective of the Commission was to simply avoid that measures be imposed and, although this could not be achieved, at least the negative economic impact of the measures could be minimised to a certain degree. Indeed, in the case concerning certain electrical appliances, almost half of the product types were excluded from any measures and in the cotton yarn case maximum thresholds were established and thereby the effective ad-valorem duty for the EU exports is decreased."	
2009	**Thailand**	Glass blocks	Antidumping	"This investigation was initiated in 2007 and concluded in January 2009. Thailand imposed antidumping duties against imports of glass blocks originating in the Czech Republic, but following the interventions of the Commission requesting the application of the lesser duty rule, the final duty applicable to the EU exporters has been substantially reduced."	

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2009	**Thailand**	Cold-rolled steel	Antidumping	"In March 2008 the Thai investigating authorities initiated an expiry review of the measures against the EU, Japan, Taiwan and Korea. In its preliminary findings, Thailand considered prolonging the measures for all countries concerned. The Commission intervened in this case, arguing that a negative dumping margin of 41% resulting from the investigation for EU exports clearly proved that there was no likelihood of continuation or recurrence of dumping for EU exporters. The Commission closely liaised with a part of the EU exporting producers that cooperated with the investigation, which also highlighted the limited exports of the product concerned and the higher quality of the EU exports as compared to domestic production, thus resulting in a lack of injury for the Thai industry."	
2009	**Indonesia**	Dextrose monohy-drate	Not specified	"Based on the provisional disclosure, the Commission intervened, in close cooperation with the industry, and obtained the exclusion of most of the product types that were exported from the EU, on the grounds that they were not injurious to the Indonesian domestic industry."	
2009	**South Africa**	Steel wire ropes	Not specified	"In those two cases the provisional disclosures seems to indicate that our interventions may lead to a more favourable outcome for the EU exporters concerned, i.e. (...) a not duty at all in South Africa."	
2009	**Brazil**	Viscose fibre	Not specified	"In those two cases the provisional disclosures seems to indicate that our interventions may lead to a more favourable outcome for the EU exporters concerned, i.e. a lower duty in Brazil"	
2009	**Brazil**	Canned peaches	Not specified	"This case is another good example of the positive influence that the continuous efforts of the industry and the Commission can have on an outcome of an investigation. The above mentioned review was concluded in April 2008 without the continuation of the measures."	Exports from Greece
2010	**India**	Steel, paper, chemicals	Safeguard	"India has initiated 9 safeguard investigations in 2009. This is about one third of all safeguards initiated this year, and also an extraordinary high number when compared to the 10 safeguard investigations initiated by India over the past 10 years. 7 of these cases concerned products exported from the EU for an estimated value of no less than 500 million €/year, and covering sectors such as steel, paper and chemicals. All these cases were initiated on very weak grounds. The Commission, in cooperation with exporters, strongly opposed the proceedings and intervened at different levels. These interventions had positive results and despite the recommendation by the Indian authorities to impose provisional measures, all the investigations which directly concerned EU exports were terminated without the imposition of any measures."	
2010	**New Zealand**	Canned peaches	Countervailing	"In the framework of the expiry review initiated in 2008, New Zealand has accepted the arguments put forward by the Commission, which demonstrated that the new scheme has no trade distorting effects and is thus not countervailable. As a result, the duties in force for more than 10 years were terminated."	
2010	**Croatia**	Cheese and cheese sup-plements	Safeguard	"Given the high economic impact and the serious flaws of the case, the Commission has strongly intervened at technical and political level. As a result, the product scope was significantly reduced. The types of cheese excluded represented 80% of the EU exports and the corresponding measures were revoked and reimbursed. For the remaining products measures were imposed for 6 months only and expired in January 2010."	
2010	**Israel**	Steel products	Safeguard	"Amongst others, a safeguard investigation against imports of steel products was initiated. The case was initiated on weak grounds, and provisional measures were imposed despite the fact that imports decreased in 2009 and average import prices increased. Following various interventions, including from the Commission, the measures were suspended and duties reimbursed."	
2010	**Russia**	Flat-rolled polymer coated steel	Antidumping	"The anti-dumping investigation against imports of flat rolled polymer coated steel from Belgium and Finland was concluded in September 2009. The Commission had intervened in order to highlight weaknesses identified in this case, such as lack of injury and transparency. Subsequently, in November 2009, the investigating authorities have proposed not to impose measures due to a negative injury determination."	
2010	**Russia**	Grain-harvesting combines	Safeguard	"The Commission and the EU industry have also been very active in the safeguard case concerning grain harvesting combines, given its high economic interest (110 million € in 2007). The conditions to impose safeguard measures were indeed not met and Russia has therefore decided not to apply safeguard measures."	
2010	**Morocco**	Ceramic tiles	Safeguard	"In 2009 Morocco has initiated an investigation in order to explore the need to prolong safeguard measures imposed in 2006. The Commission, together with the industry, actively intervened in this case. Although, the prolongation of measures could not be avoided, the quota allocated to EU exporters has been significantly liberalised as compared to the original measures, and the conditions to obtain import licences have been improved. As a result EU exporters have access to the Moroccan market again."	

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2010	**Argentina**	Petro extraction pumps	Not specified	"In the petrol extraction pumps case initiated by Argentina in May 2008 against imports from Romania, the continued interventions by the Commission and the industry resulted in the acceptance of undertakings offered by the Romanian exporter concerned."	
2010	**Ukraine**	Liquid chlorine	Safeguard	"The Commission also actively supported the EU industry in a safeguard investigation initiated by Ukraine concerning liquid (...). Both investigations were terminated without measures in 2009."	
2010	**Turkey**	Textiles	Antidumping	"The Commission also actively supported the EU industry in (...) an anti-dumping investigation initiated by Turkey concerning textile products. Both investigations were terminated without measures in 2009."	
2010	**Brazil**	Horizontal	MAS for Bulgaria and Romania	"[I]n June 2009, after a long and difficult struggle and numerous interventions by the Member States and the Commission, Bulgaria and Romania were finally also granted market economy status by Brazil."	
2011	**GCC**	Uncoated paper and paperboard in rolls and sheets; sheets and steel angles, channels and beams	Safeguards	"Last year's annual report mentioned the initiation by the Cooperation Council for the Arab States of the Gulf of two safeguard investigations concerning imports of uncoated paper and paperboard in rolls and sheets and steel angles, channels and beams. The Commission intervened and made a formal submission to express concern as to the lack of transparency and of objectivity of the injury analysis and the weak causal link analysis performed by the investigating authorities in these two cases. Both were terminated without measures in 2010."	
2011	**Mexico**	Bovine meat	Countervailing	"The expiry review concerning the countervailing measures on bovine meet, initiated in June 2009 was terminated in December 2010. The Commission had provided ample information and evidence, which allowed Mexico to conclude that, following the reform of the EU Common Agricultural Policy, the EU became a net importer of beef, and thus that there was no likelihood that injury would recur should measures lapse."	
2011	**Canada**	Refined sugar	Countervailing, Antidumping	"The expiry review of the countervailing measures regarding refined sugar from the EU and the parallel expiry review of the anti-dumping measures against imports of the same product from Denmark, Germany, the Netherlands and United Kingdom were terminated in November 2010. This positive outcome was the result of ample information and evidence provided by the European Commission, which allowed Canada to conclude that following the reform of the EU Common Agricultural Policy, production volumes had been reduced and that therefore there was no likelihood of recurrence of injury."	Exports from Denmark, Germany, the Netherlands and UK
2011	**Morocco**	Machine-made carpets	Safeguard	"Morocco initiated one new safeguard investigation in July 2010 concerning imports of machine-made carpets. The EU industry concerned co-operated with the investigating authorities and the Commission made a submission emphasising the total lack of a causal link between EU imports and any injury suffered by the domestic industry. The investigation was terminated in November 2010 without the imposition of measures given the lack of injury."	
2011	**Israel**	Recycled container-board, white paper, stretch wrap	Antidumping	"In 2010 the Commission has actively intervened with technical submissions in individual cases. At the same time, different occasions were used to highlight to the Israeli authorities at higher political level the persisting shortcomings pertinent to all the TDI investigations initiated by Israel. As a result, two anti-dumping investigations on recycled containerboards and white paper were concluded without the imposition of measures and the anti-dumping investigation against imports of stretch wrap was suspended after an undertaking agreement was reached with EU exporters."	
2011	**Israel**	Steel rebars	Safeguard	"[F]ollowing repeated requests from the Commission, Israel has officially confirmed the termination of the safeguard investigation against imports of steel rebars."	
2011	**Ukraine**	Ferro-alloys, fertilisers, float glass	Safeguards	"Recently Ukraine started to be very active in the use of safeguards. The Commission actively monitored its actions and urged it to refrain from using the safeguard instrument when injurious imports come from only one or a few specific sources, to extend the period analysed from 1 to 3 years and to duly consider the national interest before the adoption of any measures. Ukraine finally terminated two important safeguard cases without imposition of any measures (Ferro-alloys and Fertilisers) (...) in case of Float glass it adopted definitive measures for 10 days only, in addition to provisional measures."	
2012	**Belarus**	Fibreglass mesh case	Not specified	"In the new Customs Union, measures imposed by individual countries are extended to the territory to the Customs Union if, following a review investigation, it is found that the national production represented more than 25% of the Customs Union wide production on average during the last three years. In this context, the analysis of the fibreglass mesh case revealed that Belarus had proposed to extend measures when in fact the domestic production reached more than 25% only during the last year under review. The Commission drew the attention the Belarusian authorities to the fact that the threshold was not met on average for the last three years and, as a result, it was decided not the extend them to the overall customs union."	

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2012	**Ukraine**	Fridges, petroleum products	Safeguards	"The Commission has actively intervened in these investigations, in particular those cases that would affect significant EU trade flows if measures were taken, in order to highlight the weaknesses of the cases and ensure the best outcome for the EU exporters. The Commission's interventions were successful in 2011. Two investigations have been terminated without the imposition of measures: the fridge case (…) and the petroleum product case."	€ 45 million annually and € 750 million / year
2012	**Israel**		Antidumping	"Over the last years Israel has become a relatively important user of the anti-dumping instrument against the EU (7 investigations initiated since 2009). Several WTO inconsistencies were found, including very important and basic ones. Given the systemic nature of the problems identified, the Commission intervened in all these cases and in 2011 two investigations were terminated without measures. This included one for which the investigating authorities even proposed the imposition of definitive measures."	
2012	**Jordan**	Tiles	Safeguard	"Jordan initiated a safeguard investigation against imports of tiles in 2008. This was the third investigation in a period of six years. While measures could be avoided in the two previous cases, in this case Jordan imposed definitive duties in September 2010, for a period of two years. The Commission actively intervened given the 'history' of the case and the weaknesses identified. Unfortunately, measures could not be avoided, but Jordan decided in December 2011 to terminate the measures one year before their normal period of application."	
2013	**China**	X-ray security scanners	Antidumping	"On 23 January 2011, China decided to impose anti-dumping duties on imports of X-ray security inspection equipment originating from the EU (…). The Commission decided to challenge these duties as it was considered that these measures were not in conformity with WTO rules and that they had been imposed in retaliation against the EU's own case concerning cargo scanners from China. On 24 April 2013, the WTO published the panel report confirming that China acted inconsistently with several provisions of the WTO anti-dumping agreement. As a result, China announced the termination of the measure on 19 February 2014."	
2013	**Brazil**	Wine	Safeguard	"In March 2012, Brazil initiated a safeguard investigation against imports of wine. The case was economically important since more than € 85 million yearly exports were potentially affected (Spain, Portugal, Italy and France), and the Brazilian market is further expanding. After an in-depth analysis of the case, the Commission identified important weaknesses, in particular with respect to the definition of the domestic industry, the injury and causality aspects. The Commission made extensive submissions in this regard, and participated in the public hearing held in Brasilia in June 2012. The investigation was finally terminated without the imposition of measures in October 2012, and the Commission's strong interventions, the very good co-ordination with the Member States concerned, the industry and the importers in Brazil that were also very active in this case have all contributed to this positive result."	More than € 85 million yearly potentially affected (Spain, Portugal, Italy and France)
2013	**Russia**	Graphite electrodes	Safeguard	"[T]he safeguard investigation on graphite electrodes initiated on 31 August 2011 by Russia and later transferred to the EAEC was terminated on 30 August 2012 without the imposition of any safeguard measure. The Commission had actively intervened in this case."	€ 25 million / year
2013	**Israel**	Food mixers	Antidumping	"[I]n 2012 measures could also be avoided in two cases (around € 20 million of yearly exports), despite the proposal of the investigating authorities to impose measures in one of these cases (food mixers)."	The 2 Israeli measures combined affected € 20 million of yearly exports.
2014	**EAEC**	Woven fabrics	Safeguard	"During the course of the investigation, the Commission identified several WTO inconsistencies, in particular with respect to the definition of the product scope, the injury and causality aspects. The Commission made interventions in this regard and the investigation was ultimately terminated on 2 October 2013 without the imposition of measures."	€ 65 million / year
2014	**EAEC**	Caramel, stainless steel pipes	Safeguards	"After some years of active use of the TDI and safeguards in particular, in 2013 the EAEC did not initiate any new investigation and reviewed two existing measures (caramel and stainless steel pipes) with the final outcome being some degree liberalization or reduction of the product scope of the application of the measure."	

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2014	Ukraine	Horizontal	Safeguard	"From 2009 to 2011 Ukraine initiated a very high number of safeguard investigations. During those years, the Commission intervened in each of those safeguard cases as well as criticized Ukraine for the excessive use of the safeguard instrument in general. Compared to 2012, when no case was initiated, in 2013 Ukraine only initiated one safeguard investigation on porcelain tableware and kitchenware."	
2014	Peru	Olive oil	Anti-subsidy	"Since the initiation by the Peruvian authorities of an anti-subsidy proceeding and imposition of measures in December 2010 concerning imports of olive oil from Spain and Italy, the Commission as well as EU Member States had actively defended the interests of the EU in this case. The incompatibilities of the proceedings and measures with the WTO were brought to light in numerous submissions, hearings and interventions at both technical and political level as well as through the launch of an administrative appeal procedure. Finally, in March 2013, these interventions brought the results in the form of the repeal of these measures."	From Spain and Italy
2014	Morocco	Steel products	Safeguard	"The Commission strongly intervened in the Moroccan safeguard investigation concerning imports of steel products. The Commission intervened in writing as well as during the public hearing and various ad-hoc meetings were organised in order to ensure the best outcome for EU exporters. These interventions have led to a more flexible measure as the quota proposed for one product has been doubled following the Commission's interventions."	
2014	South Africa	Frozen fries	Safeguard	"South Africa imposed a prohibitive provisional safeguard measure of 60% against imports of frozen fries, based on very weak grounds, and the Commission has also made considerable interventions in this case. Several ad-hoc meetings were organised at various level in order to convince the South African authorities not to impose definitive measures. As a result of this, the decision to impose these measures has so far been postponed, allowing the provisional measures to lapse."	

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2014	Turkey	Float glass, Electric water heaters	Antidumping	"Turkey concluded two on-going anti-dumping investigations in 2013 (float glass and electric water heaters). In both cases Turkey decided to impose measures. However, thanks to the active joint interventions of the Commission and the EU industry, the definitive duty rates were significantly lower than the ones proposed at earlier stages of the investigations. In the float glass case the provisional duty was 41%, while the definitive duty for the co-operating company was decreased to 16%. In the electric water heaters case the Turkish authorities agreed to change the calculation method in order to better reflect the actual situation for one exporter. With the new method, the duty decreased from the originally proposed 19.82% to 9%."	
2014	Egypt	Raw and white sugar	Safeguard	"Further to the Commission's vigorous efforts that included interventions concerning the shortcomings of the case at the WTO Committee on Safeguards and bilateral WTO consultations, Egypt did not impose definitive measures and committed itself to refund the previously paid provisional duties in the raw and white sugar case."	
2014	Egypt	Steel bars	Not specified	"In November 2013 Egypt also terminated the investigation on steel bars without the imposition of any definitive measures."	
2014	Australia	Tomato products, Processed fruit products	Safeguards	"In December 2013 Australia decided to terminate two safeguard investigations – against imports of processed tomato products and against imports of processed fruit products – without the imposition of any measures. This followed a number of interventions including written submissions and participation in oral hearings by the Commission, EU Member States and EU industry."	
2015	Egypt	Edam cheese	Anti-subsidy	"In June 2014, Egypt initiated an anti-subsidy investigation regarding imports of Edam cheese from the Netherlands. The subsidies targeted were EU as well as Dutch programs. The Commission cooperated in the investigation and also assisted the Dutch authorities. In addition the Commission made a submission highlighting that the subsidy programs under investigation were non-specific and thus not actionable under WTO rules. Furthermore, it raised strong doubts as to the injury and causal link analysis. The Commission also participated in consultations held in Cairo. In March 2015, the investigation was terminated without imposition of measures. The Egyptian authorities concluded that the subsidy programs were non-specific and thus not actionable and that their investigation could not find that the domestic industry was suffering material injury."	

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2015	South Africa	Frozen chicken parts	Antidumping	"In the investigation regarding frozen chicken parts from Germany, the Netherlands and the United Kingdom, South Africa (ITAC) proposed definitive duties for imports from those three member states. Following comments received from interested parties, including the Commission's intervention especially concerning the dumping margins and their calculations for the UK, ITAC significantly lowered those rates for both individual UK producers (from 18.68% to 13.07%) and for the "all others" UK rate (from 34.7% to 22.3%)."	From UK
2015	Turkey	Terephthalic acid (PTA)	Safeguard	"Turkey imposed safeguard measures concerning terephthalic acid (PTA). However, following active interventions by the Commission in support of the EU industry, the duty rates imposed are relatively low (4%) and will last only 2 years. The Commission highlighted weaknesses in the causal link analysis and stressed that due to the increase in consumption, any duties could endanger sufficient levels of supply."	
2015	Morocco	Insulin	Antidumping	"Morocco initiated an anti-dumping investigation regarding imports of insulin in December 2012. Provisional duties were imposed in April 2014 and the imposition of definitive duties of 13.89% was proposed in August 2014. Following interventions by the Commission in support of EU industry, the Moroccan authorities accepted an undertaking from the Danish producer concerned and thus the duties have been suspended."	
2015	USA	Lightweight thermal paper	Antidumping	"The Commission was actively involved in the first full sunset review of the anti-dumping measures imposed in 2008 on imports of lightweight thermal paper from Germany. On 28 May 2014, the US DOC found that the revocation of the order would be likely to lead to the continuation or recurrence of dumping. Subsequently, the Commission intervened during the public hearing before the US ITC in October 2014 supporting German industry. Following a favourable vote by the US ITC, the anti-dumping order was revoked on 17 December 2014."	From Germany
2015	Australia	Processed tomato products	Antidumping	"On 9 July 2013, the Australian authorities initiated an anti-dumping investigation concerning processed tomato products from Italy. The Commission intervened on several occasions through a number of submissions to the Australian Anti-dumping Commission in support of Italian industry. Furthermore, during the verification visits, a Commission expert was present to support the companies concerned. As a result, 45% of exports were excluded from the measure and duties for the other cooperating exporters were relatively low (on average 4%)."	From Italy
2015	Philippines	Galvanised iron, pre-painted galvanised iron sheets and coils	Safeguard	"In September 2012, the Philippine authorities initiated a safeguard investigation against imports of galvanised iron and pre-painted galvanised iron sheets and coils. The Commission intervened at an early stage of the investigation in order to point out that the evidence disclosed was insufficient to justify any imposition of measures. The investigation, which raised general concerns regarding a potential abuse of the safeguard instrument, was finally terminated without imposition of measures in February 2015, on the grounds that the subject imports did not cause any injury to the domestic industry."	
2015	China	Haemodial-ysis equip-ment	Antidumping	"In June 2014, China initiated an antidumping investigation against imports of haemodialysis equipment originating in the EU and Japan. (...) The Commission intervened with the Chinese authorities pointing out technical flaws in the complaint and provided technical support to the exporters concerned. The complaint was finally withdrawn and the case was terminated in December 2014 without imposition of measures."	Main EU exporters affected based in Germany, Sweden and Italy
2015	China	Stainless tubes	Antidumping	"In November 2012, the EU (and Japan) had requested the establishment of a WTO Panel concerning anti-dumping measures imposed by China against imports of certain stainless steel tubes. The Commission had identified significant flaws in this investigation. The major part of the Panel proceeding took place in 2014 and the results were released early in 2015. In its conclusions, the Panel upheld a number of important claims of the EU (China's failure to ensure a fair comparison between export price and normal value, and its flawed non- attribution analysis). It is considered that in order to correctly implement the Panel's findings, China would have to remove the WTO inconsistent measures. The case has been appealed and the Appellate Body is currently reviewing the Panel report."	

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