



**Asia-Pacific  
Economic Cooperation**

# **Key Trends and Developments relating to Trade and Investment Measures and their Impact on the APEC Region**

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**Advancing** Free Trade for Asia-Pacific **Prosperity**

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# Executive Summary<sup>1</sup>

## Economic Outlook

GDP growth momentum diverged between advanced and developing economies in the first half of this year. As economic activity gathered strength in advanced economies, it began to slow in many developing and emerging economies. As a grouping, growth in industrialized APEC economies accelerated to 1.6% (year-on-year) in the second quarter of 2013 after expanding by 1.1% in the previous quarter. Output growth in the newly industrialized APEC economies also rose to 2.6% (y-o-y) in the second quarter from 1.5% in the first quarter of 2013. In contrast, GDP growth in developing APEC economies moderated to 5.8% (y-o-y) in the second quarter of 2013, from growth of 6.1% in the first quarter of the year.

Given the slower growth and weaker domestic demand in several major emerging economies, the IMF recently lowered its forecast for global growth. Global GDP growth in 2013 is now expected to increase at the same rate (3.1%) as in 2012 before accelerating to 3.8% in 2014. Economic activity in the APEC region remains favorable in comparison with GDP forecast to grow by 3.9% in 2013 before accelerating to 4.4% in 2014. Although risks to the outlook for global growth have subsided, they still remain on the downside. These include a re-intensification of the Euro area crisis, the normalization of monetary policy in some major developed economies leading to tighter financial conditions, as well as geopolitical tensions in the Middle East driving oil prices higher.

A discussion of recent economic developments is at [Annex 1](#).

## Merchandise Trade and Trade-Related Measures

Trade performance in the first half of 2013 was also weaker than expected, with total world merchandise trade volumes growing by just 1.8% (y-o-y). Although import demand from emerging economies grew by 5.9% in the first six months of the year, it wasn't enough to offset the weakened import demand in advanced economies, which contracted by 1.7%. In the APEC region, the value of total merchandise trade grew by just 2.1% in the first five months of 2013 over the same period last year, with exports rising by 2.2% and imports by 2.0%. Intra-APEC trade held relatively steady, growing by 4.4%, roughly the same pace as in 2012. However, import demand from the Euro area continues to be particularly weak. The value of APEC exports to the Euro area contracted by 4.9% in the year-to-May after declining by 3.8% last year. Following growth of 3.7% in 2012, exports from APEC to the rest of the world also moderated, increasing by 1.6% in the first few months of this year.

Given the sluggish growth in import demand by developed economies, the WTO recently revised its trade forecast downward, predicting that global trade will grow by 2.5% in 2013 and by 4.5% in 2014. Despite the cut in its forecast, the WTO is optimistic that the conditions underlying increased trade are improving, including an easing of the European sovereign debt crisis, a fall in unemployment in the United States, and GDP growth in Japan. The WTO also reports that between mid-October 2012 and mid-May 2013, there were 52 trade-facilitating measures implemented globally, covering 0.5% of world merchandise imports. However, over that same period, there were also 86 newly initiated trade remedy investigations

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<sup>1</sup> Like a similar report at the Meeting of APEC Ministers Responsible for Trade (MRT) in Surabaya, Indonesia in April 2013, this report is presented following the commitment made at the APEC Ministerial Meeting (AMM) in Singapore in November 2009 to continue to review recent economic measures undertaken by APEC members.

covering around 0.2% of global merchandise imports compared with the termination of 47 trade remedy measures covering around 0.1% of world imports. Meanwhile, the impact of non-tariff measures (NTMs) on trade continues to be of increasing concern.

A list of trade and trade-related measures implemented in APEC economies from mid-October 2012 to mid-May 2013 as reported by the WTO Secretariat is at [Annex 2](#).

### **Foreign Direct Investment (FDI) and Investment-Related Measures**

The FDI recovery was derailed in 2012 with UNCTAD reporting that global FDI inflows fell by nearly 20% to USD 1.35 trillion as both economic and policy uncertainty made investors more cautious. Although over 60% of the global decline in 2012 can be attributed to substantially reduced inflows to the European Union (EU), the APEC region also experienced a sharp decline as inflows fell by 10% over the previous year to USD 697 billion. While FDI inflows to industrialized members fell by nearly 20% in 2012 to USD 275 billion, those to developing APEC members proved resilient, declining by just 4% to USD 423 billion.

UNCTAD forecasts that global FDI flows will rise only slightly to USD 1.4 trillion in 2013 before significant gains are made in 2014 and 2015, with FDI reaching USD 1.6 trillion and USD 1.8 trillion, respectively, as macroeconomic conditions improve and investors regain confidence. However, significant downside risks to FDI remain, including ongoing volatility in financial markets as well as sluggish economic growth in advanced economies. Encouragingly, APEC members seem to be faring quite well in ensuring that their policies are favorable towards foreign investment as the measures recently implemented in selected APEC economies were generally favorable to FDI.

A list of investment measures implemented in selected APEC economies from 6 October 2012 to 15 May 2013 as reported by the OECD and UNCTAD Secretariats is at [Annex 3](#).

### **For Discussion**

Despite the favorable economic performance forecast for the APEC region compared with the rest of the world in 2013 and 2014, significant downside risks still remain. The underwhelming performance of global trade in the first half of this year and the drop in FDI last year presents substantial challenges for sustainable economic growth in the region. APEC members are therefore encouraged to resist protectionism, thereby ensuring the promotion of trade and investment both within their economies as well as within the region. APEC Ministers, meeting in Vladivostok, Russia in September 2012, had reaffirmed the pledge made by Leaders in Honolulu, USA in November 2011 to refrain from raising new barriers to investment or to trade in goods and services through the end of 2015. The WTO has also highlighted the need to make progress in multilateral negotiations in order to deliver concrete results at its upcoming Bali Ministerial Conference this December.

APEC Ministers may wish to discuss the following concrete steps:

1. APEC reiterates its pledge to maintain free and open markets and renews its commitment to withdraw existing restrictive measures and resist new protectionist measures in light of the substantial downside risks to a sustainable global economic recovery that remain.
2. APEC should continue to monitor trade and investment measures by member economies, with the APEC Policy Support Unit (PSU) to prepare its next review for the Meeting of Ministers Responsible for Trade (MRT) in early 2014.

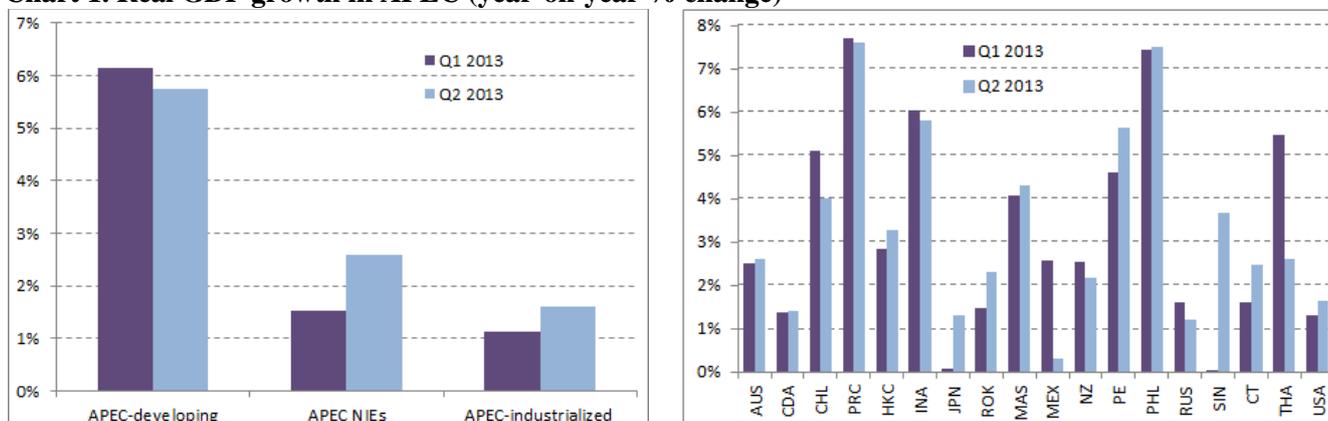
## Annex 1

### Recent Economic Developments

#### Economic Outlook<sup>2</sup>

GDP growth gathered strength among advanced economies in the first half of this year. As a grouping, growth in industrialized APEC economies accelerated by 1.6% (y-o-y) in the second quarter of 2013 after expanding by 1.1% in the previous quarter (Chart 1). Output growth in the newly industrialized economies (NIEs) in the APEC region also inched higher at 2.6% (y-o-y) in the second quarter from 1.5% in the first quarter of 2013<sup>3</sup>. In addition, the Euro area recorded GDP growth of 0.3% (q-o-q) in the second quarter of 2013, marking the emergence of the region from its longest recession in at least three decades. Meanwhile, economic growth in the United Kingdom advanced at 0.4% and 0.7% in the first two quarters of this year (q-o-q), respectively, from a 0.3% contraction in the last quarter of 2012.

**Chart 1. Real GDP growth in APEC (year-on-year % change)**



Source: Thomson Reuters and PSU calculations.

In contrast, economic activity in emerging and developing economies began to slow in the first six months of the year. GDP growth in developing APEC economies moderated to 5.8% (y-o-y) in the second quarter of 2013, from growth of 6.1% in the first quarter of the year and 6.8% in the fourth quarter of 2012. Growth in other large emerging economies also weakened. In particular, India's GDP, after growing at a subdued 3.8% last year, slowed further to 3.0% (y-o-y) and 2.4% (y-o-y) in the first and the second quarters of this year, respectively. Brazil's economic performance in the first part of the year also caused concern as output expanded by just 0.6% in the first quarter of 2013 over the fourth quarter of 2012. However, 1.5% (q-o-q) growth in the second quarter exceeded market expectations and helped to ease concerns.

Against this backdrop, in late May 2013, the United States Federal Reserve first mentioned the possibility of a reduction in its open-ended asset purchase program, known as QE3, contingent on continued positive economic data. As a result, the yield on 10-year Treasury bonds rose 80 basis points between the end of May and the first week of September. Meanwhile, capital flows into emerging and developing economies, which had been buoyant

<sup>2</sup> For an in-depth analysis of the recent economic developments in the APEC region, please see the APEC Policy Support Unit's "[APEC Economic Trends Analysis – October 2013](#)", available through the [APEC Policy Support Unit webpage](#).

<sup>3</sup> APEC NIEs is comprised of Hong Kong, China; Korea; Singapore; and Chinese Taipei.

until May, fell sharply in June and July. In September, however, the U.S. Federal Reserve clarified its position, stating that it would not begin to scale back its asset purchases until there was conclusive evidence of a sustained improvement in economic activity and labor market conditions.

Nevertheless, investors had begun to reassess the outlook for U.S. monetary policy, with the change in sentiment affecting the APEC region although the impact varied significantly among the member economies. As in the United States, government bond yields also increased in other APEC economies, with only a few exceptions. The impact of capital outflows was also notable in the equity market as stock prices from emerging and developing economies underperformed those of industrialized economies. Overall stock prices for industrialized APEC members were up 14% year-to-date, while those for developing APEC economies were 4.7% lower. The weaker performance of bond and equity markets in developing APEC economies also partially reflected the slowdown in economic activity in recent months, including slower growth in investment and exports.

**Table 1. Real GDP growth in selected economies and regions**

(annual % change)	Latest forecast		
	2012	2013	2014
Canada	1.7	1.7	2.2
China	7.8	7.8	7.7
Japan	1.9	2.0	1.2
Mexico	3.9	2.9	3.2
Russia	3.4	2.5	3.3
United States	2.2	1.7	2.7
ASEAN-5 <sup>4</sup>	6.1	5.6	5.7
<b>APEC</b>	<b>4.1</b>	<b>3.9</b>	<b>4.4</b>
European Union	-0.2	-0.1	1.2
Euro Area	-0.6	-0.6	0.9
World	3.1	3.1	3.8

Source: IMF *World Economic Outlook* April 2013 & July 2013 Update and PSU calculations.

In the July 2013 update to its *World Economic Outlook*, the IMF lowered its forecast for global growth in light of the slower growth and weaker domestic demand in several major emerging economies. In 2013, GDP growth for the world is now expected to increase at the same rate (3.1%) as in 2012 before accelerating to 3.8% in 2014 (Table 1). This represents a downward revision of 0.2 percentage points for both 2013 and 2014. Economic activity in the APEC region remains favorable in comparison with GDP forecast to grow by 3.9% in 2013 and by 4.4% in 2014. Although risks to the outlook for global growth have subsided, they still remain on the downside. These include a re-intensification of the Euro area crisis if some members fail to achieve their fiscal reduction targets, the normalization of monetary policy in some major developed

economies leading to tighter financial conditions, as well as geopolitical tensions in the Middle East driving oil prices higher.

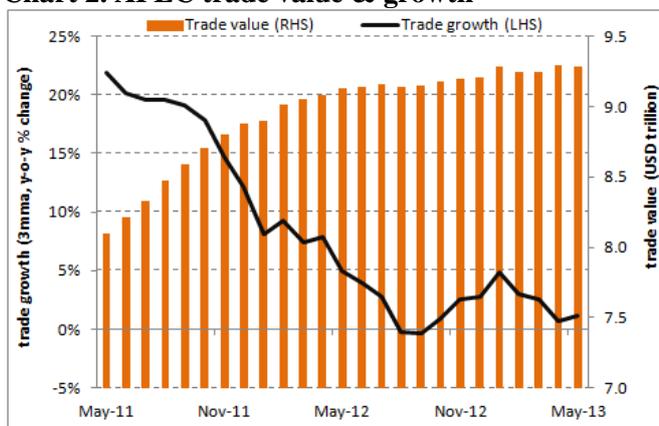
### **Merchandise Trade and Trade-Related Measures**

Global trade performance in the first half of 2013 was also weaker than expected. After increasing by 5.9% in 2011 and by only 1.9% in 2012, total world merchandise trade volumes grew by just 1.8% (y-o-y) in the first half of this year, according to data compiled by CPB Netherlands. The slower trade growth in the first six months of this year can be attributed to weakened import demand in advanced economies, which contracted by 1.7%. Meanwhile, import demand from emerging economies has held up quite well, growing at 5.9% in the first half of 2013 in comparison with 4.7% growth registered in 2012, helping to cushion the fall in demand from advanced economies. Nevertheless, this overall slowdown in global trade was, in turn, responsible for a substantial slowdown in economic growth in several APEC economies as discussed above.

<sup>4</sup> ASEAN-5 is comprised of Indonesia; Malaysia; Thailand; Philippines; and Viet Nam.

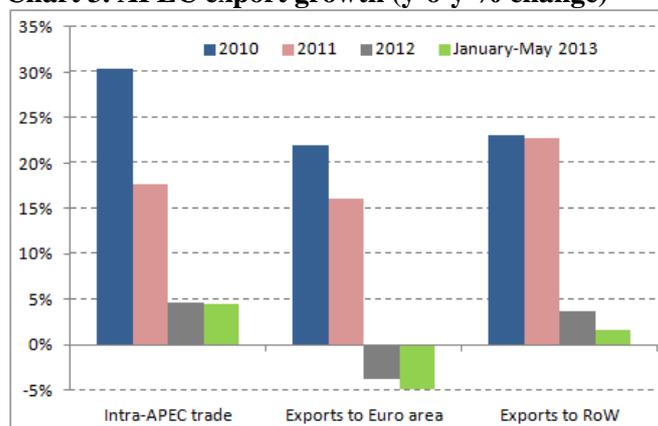
In fact, as global economic activity continued to be weak in the first half of 2013, the resulting slowdown in import demand from advanced economies dampened trade momentum in the APEC region. In the first five months of 2013, the value of total APEC merchandise trade grew by just 2.1% over the same period last year, extending the slowdown in trade since 2011 (Chart 2). The value of exports from the APEC region grew by 2.2% in the year to May, while the value of imports to the APEC region increased by 2.0%. Despite the pick-up in economic performance in the Euro area, import demand from the region continued to be weak. The value of APEC exports to the Euro area contracted at a faster rate in the year-to-May: 4.9% in comparison with a decline of 3.8% in 2012 (Chart 3). APEC exports to the rest of the world also moderated in the first few months of this year. Meanwhile, intra-APEC trade held relatively steady, growing at roughly the same pace as last year.

**Chart 2. APEC trade value & growth**



Source: CPB Netherlands and PSU calculations.

**Chart 3. APEC export growth (y-o-y % change)**



Source: IMF, Direction of Trade Statistics and PSU calculations.

Given that import demand in developed economies is growing at a slower rate than expected, hindering export growth from both developed and developing economies in the first half of 2013, the WTO recently revised its trade forecast downward<sup>5</sup>. Global trade is now expected to grow by 2.5% in 2013 (down from 3.3% predicted in April) and 4.5% in 2014 (down from 5.0%). Despite the cut in its forecast for trade growth, the WTO is optimistic that the conditions underlying increased trade are improving, including an easing of the European sovereign debt crisis, a fall in unemployment in the United States, and GDP growth in Japan. The WTO has also highlighted the need to make progress in multilateral negotiations in order to deliver concrete results at its upcoming Bali Ministerial Conference this December.

Encouragingly, the WTO reported that between mid-October 2012 and mid-May 2013, there were 52 trade-facilitating measures implemented globally – covering 0.5% of world merchandise imports – with the majority either decreasing or eliminating import tariffs<sup>6</sup>. However, over that same period, there were also 86 newly initiated trade remedy investigations covering around 0.2% of global merchandise imports compared with the termination of 47 trade remedy measures covering around 0.1% of world imports<sup>7</sup>. When

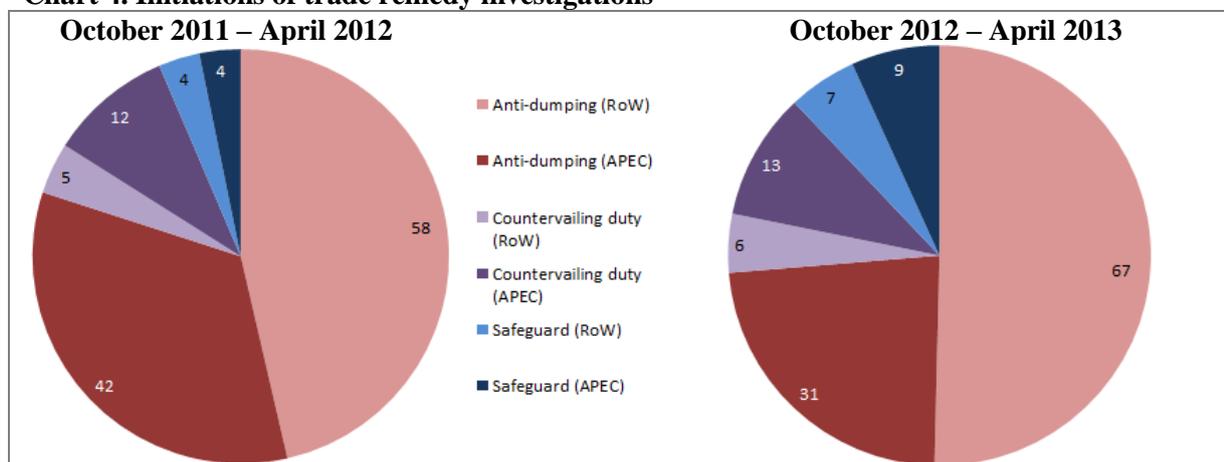
<sup>5</sup> For more information, please see the WTO's Press Release 694, "[WTO sees gradual recovery in coming months despite cut in trade forecasts](#)", 19 September 2013.

<sup>6</sup> For more information, please see the WTO's [Report to the Trade Policy Review Body from the Director-General on Trade-related Developments \(mid-October 2012 to mid-May 2013\)](#), 5 July 2013.

<sup>7</sup> A list of trade and trade-related measures implemented in selected APEC economies from mid-October 2012 to mid-May 2013 is at Annex 2.

comparing the number of newly initiated trade remedy investigations between October 2012 and April 2013 over the same period a year earlier, anti-dumping and countervailing duty investigations initiated by APEC members had been substantially reduced, while those relating to safeguards had increased (Chart 4).

**Chart 4. Initiations of trade remedy investigations**



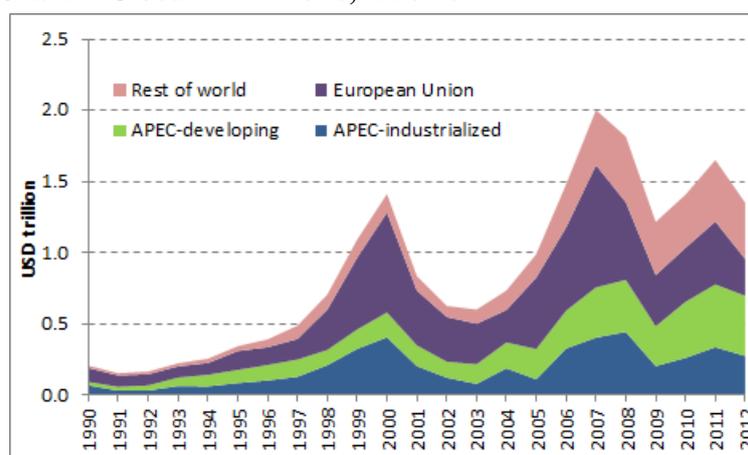
Source: WTO, “Report to the TPRB from the Director-General on Trade-related Developments”, 5 July 2013.

Greater attention also continues to be paid to the issue of non-tariff measures (NTMs), including technical barriers to trade (TBT) and sanitary and phytosanitary (SPS) measures. Although there are many legitimate reasons for the implementation of NTMs, firms and governments are increasingly concerned by the impact of these measures on trade. According to data available through the WTO’s Integrated Trade Intelligence Portal (I-TIP), APEC members had in place 558 anti-dumping measures, 69 countervailing duties, 31 safeguards, 126 SPS measures, and 188 TBT measures by the end of 2012. However, with the exception of countervailing duties, a greater number of these measures affect an APEC economy than are imposed by an APEC member.

### **Foreign Direct Investment (FDI) and Investment-Related Measures**

After two years of strong growth, global FDI flows fell by nearly 20% in 2012 to USD 1.35 trillion as both economic and policy uncertainty, especially in Europe, made investors more cautious (Chart 5)<sup>8</sup>. However, the APEC region fared comparatively better: FDI inflows to the region declined by 10% to USD 697 billion, while those to the rest of the world fell by 25%. The European Union in particular experienced a 40% drop in inflows, accounting for over 60% of the global decline in 2012.

**Chart 5. Global FDI inflows, 1990-2012**



Source: UNCTAD and PSU calculations.

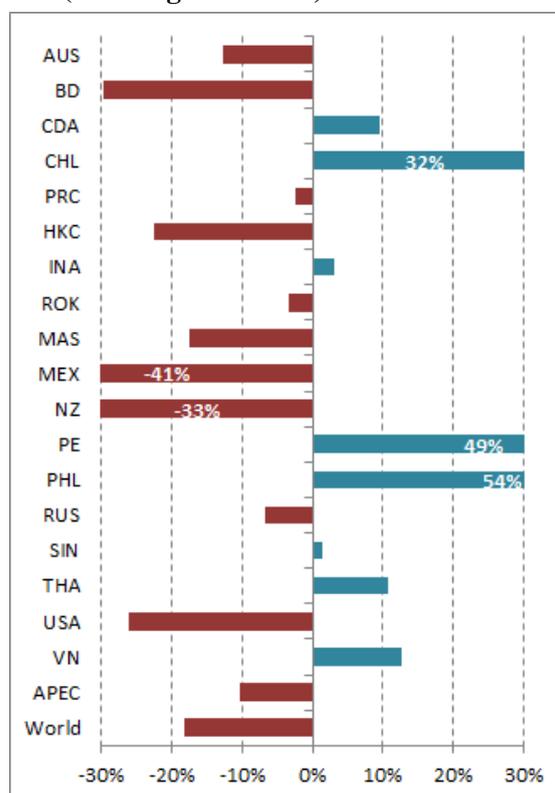
<sup>8</sup> Data used in the analysis are from UNCTAD’s World Investment Report 2013, and are available at [www.unctad.org/wir](http://www.unctad.org/wir).

Many of the large economies in the EU witnessed substantial decreases in FDI inflows, including Germany (-87%), Italy (-72%), and France (-35%), as ongoing concerns in 2012 over the sovereign debt crisis severely dampened investor sentiment, resulting in large divestments. In contrast, the United Kingdom saw a 22% rise in FDI inflows in 2012 with indications that investors see it as a more favorable investment destination since it is outside of the euro zone.

In the APEC region, FDI inflows to industrialized members fell by nearly 20% in 2012 to USD 275 billion. A 24% drop in inflows to the United States alone accounted for nearly three-fourths of the overall decline in FDI inflows to the APEC region. In fact, FDI inflows to the United States between 2010 and 2012 were, on average, around 25% lower than they had been during 2006 through 2008, immediately prior to the start of the Global Financial Crisis. While FDI inflows to Australia and New Zealand also declined in 2012, those to Canada rose slightly and Japan witnessed positive inflows following two years of net divestment.

Meanwhile, FDI inflows to developing APEC members proved resilient, declining by just 4% to USD 423 billion following their peak in 2011. In fact, the share of developing APEC members in global FDI inflows rose from 18% in 2007 to 31% in 2012 as they have absorbed an increasingly greater share of global investment following the Global Financial Crisis. Increased investment in China accounts for much of this as China has become the second largest recipient of FDI in the world after the United States. However, China experienced a very slight decline of 2% in FDI inflows in 2012 given reduced global demand for China's exports and rising production costs such as labor. Although many developing APEC members witnessed a decrease in FDI inflows in 2012, others saw substantial increases (Chart 6). Strong economic growth combined with relatively high commodity prices helped to attract investment in Chile and Peru in 2012, particularly in the extractive industries. The Philippines also witnessed a large increase in FDI inflows in 2012 as its manufacturing sector attracted higher levels of investment, partly due to a rebound in inflows following natural disasters in 2011. Despite only a slight increase of 3% in the amount of FDI inflows to Indonesia, it signified a new record high level of FDI inflows.

**Chart 6. FDI inflows in APEC economies, 2012 (annual growth rate)**



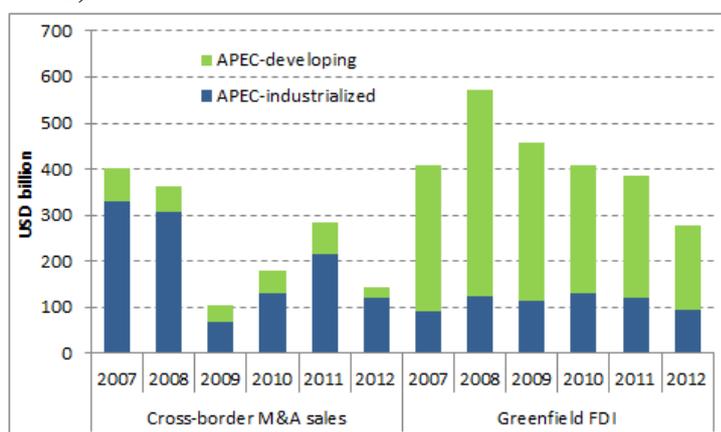
Source: UNCTAD and PSU calculations.

According to UNCTAD's latest forecast, global FDI flows are expected to rise only slightly in 2013 to USD 1.4 trillion before significant gains are made<sup>9</sup>. UNCTAD predicts that FDI will reach USD 1.6 trillion in 2014 and USD 1.8 trillion in 2015 as macroeconomic conditions improve and investors regain confidence. Underpinning this is the expectation that

<sup>9</sup> For more information, please see UNCTAD's [World Investment Report 2013](#).

transnational corporations will begin to convert their record level of cash holdings into new investments. Companies in the United States – traditionally the world’s largest source of FDI – have recently been putting cash into reserves rather than use it to expand production capacity. At the end of the second quarter of 2013, nonfinancial corporations in the United States had domestic holdings of USD 1.8 trillion in total liquid assets (an amount 30% higher than in 2008) as companies continue to remain cautious towards both domestic and foreign investment given the economic uncertainty<sup>10</sup>.

**Chart 7. Cross-border M&As sales and Greenfield FDI in APEC, 2007-2012**



Source: UNCTAD and PSU calculations.

the APEC region has fallen steadily since its peak in 2008, including a large decline of 27% in 2012 (Chart 7). Meanwhile, sales from mergers and acquisitions (M&As) in the region also dropped by nearly 50% in 2012. In fact, a recent review of cross-border M&As by UNCTAD found that a large share of those withdrawn between 2008 and 2012 were due to regulatory concerns, such as competition issues, economic benefit tests, and general political opposition, particularly those in the extractive industry as well as in manufacturing, financial services, and telecommunications<sup>11</sup>.

Nevertheless, most APEC members continue to actively pursue investment liberalization and promotion strategies, with many of the investment measures recently implemented in selected APEC economies generally being favorable to FDI<sup>12</sup>. For instance, Malaysia liberalized 17 professional services subsectors, including healthcare and education, to allow up to 100% foreign equity participation. APEC members also have a significant number of Bilateral Investment Treaties (BITs) in place. In June 2013, APEC members had signed a total of 800 BITs, 82 of which are between two APEC members. Of those BITs that have been signed, 646 are in force, 68 of which are intra-APEC. In addition, although UNCTAD reported that there had been 58 new investor-state dispute settlements initiated in 2012 – the highest number of known treaty-based disputes ever filed in one year – an APEC member was named as a respondent in only seven of those cases<sup>13</sup>.

<sup>10</sup> United States Federal Reserve [Flow of Funds Accounts](#), 25 September 2013 release. In addition, global cash holdings by nonfinancial U.S. companies through foreign subsidiaries are substantially higher. The most recent [Corporation Tax Statistics data](#) from the United States Internal Revenue Service reveal that U.S. corporations had total cash holdings of USD 3.9 trillion in 2010.

<sup>11</sup> The analysis was based on 211 withdrawn cross-border M&As with a value of USD 500 million or more. For more information, please see UNCTAD’s [Investment Policy Monitor No 10, 19 June 2013](#).

<sup>12</sup> A list of investment measures implemented in selected APEC economies from 6 October 2012 to 15 May 2013 is at Annex 3.

<sup>13</sup> For more information, please see UNCTAD’s [IIA Issues Note No 1, May 2013](#).

## Annex 2

### Trade and Trade-Related Measures (mid-October 2012 – mid-May 2013)

The following list of trade and trade-related measures implemented in APEC economies from mid-October 2012 to mid-May 2013 is adapted from the WTO's most recent report to the Trade Policy Review Body on trade-related developments<sup>14</sup>. This list follows on from an earlier list provided at the Meeting of Ministers Responsible for Trade (MRT) in Surabaya, Indonesia in April 2013, which included only those APEC members that also participate directly in the G20 process and covered the period mid-May 2012 to mid-October 2012<sup>15</sup>.

Economy	Measure Facilitating Trade	Source/Date	Status
Canada	Reduction of import tariffs (from 6.5% to 5%) on non-electric instantaneous or storage water heaters, and surveying instruments/appliances (HS 8419.19.00; 9015.80.20)	Permanent Delegation of Canada to the WTO (14 May 2013)	Effective 8 March 2013
Canada	Elimination of import tariffs on certain baby clothing, and sport equipment (except bicycles) (HS Chapters 42; 61; 62; 64; 95)	Permanent Delegation of Canada to the WTO (14 May 2013)	Effective 1 April 2013
China	Tariff Implementation Plan for 2013 resulting in the elimination of export tariffs on 6 minerals (12 tariff lines at 8 digits) (HS Chapters 25; 26; 27; 28; 79; 81)	Permanent Delegation of China to the WTO (23 May 2013)	Effective 1 January 2013
Korea, Rep. of	Temporary reduction or elimination of import tariffs on 69 items, i.e. wheat for milling (HS 1001.99) (under an import quota of 1 million tonnes); soya bean for soya bean oil and oil cake (HS 1201.90) (under an import quota of 1 million tonnes); maize for feeding and mushroom growing (HS 1005.90) (under an import quota of 9 million tonnes for feeding, and 10,000 tonnes for mushroom growing)	Permanent Delegation of Korea to the WTO (13 May 2013)	Effective 1 January 2013 to 31 December 2013 (the reduction on 28 items is applicable only until 30 June 2013, while it is applied to 41 items throughout the year)
Korea, Rep. of	Amendments to the Liquor Tax Law eliminating the import-licensing capital requirement (W 50 million (US\$44,496)) for certain alcoholic beverages (i.e. wines, beers, and whiskeys) (HS 2203.00; 2204.1.0; 2204.21; 2204.29; 2204.30; 2205.10; 2205.90; 2206.00; 2207.10; 2207.20; 2208.20; 2208.30; 2208.40; 2208.50; 2208.60; 2208.70; 2208.90) and introducing flexibility in warehouse facility requirements	Permanent Delegation of Korea to the WTO (23 May 2013)	Effective 15 February 2013
Mexico	Amendments to the customs tariffs resulting in decreases of import tariffs on 488 tariff lines (at 8 digits) (HS Chapters 1; 2; 3; 4; 7; 8; 9; 10; 11; 12; 15; 17; 18; 19; 21; 22; 23; 25; 27; 28; 29; 30; 32; 34; 35; 38; 39; 40; 44; 62; 64; 68; 82; 84; 85; 96)	Permanent Delegation of Mexico to the WTO (24 May 2013)	Effective 24 November 2012
Russian Federation (and Belarus, Kazakhstan)	Temporary elimination of import tariffs on molybdenum oxides and hydroxides (HS 2825.70.00)	Permanent Delegation of the Russian Federation to the WTO (23 May 2013)	Effective 16 January 2013 to 31 December 2014
Russian Federation (and Belarus, Kazakhstan)	Temporary reduction (to 5%) of import tariffs on paper and paperboard (HS 4810.13.80; 4810.19.90; 4810.22.10; 4810.29.30; 4810.92.10)	Permanent Delegation of the Russian Federation to the WTO (23 May 2013)	Effective 20 April 2013 to 19 January 2014

Economy	Trade Remedy Measure	Source/Date	Status
Australia	Initiation on 26 November 2012 of countervailing investigation on imports of aluminium zinc coated steel (HS 7210.61.00) from China	Permanent Delegation of Australia to the WTO (23 May 2013)	

<sup>14</sup> For more information, please see the WTO's [Report to the Trade Policy Review Body from the Director-General on Trade-related Developments \(mid-October 2012 to mid-May 2013\)](#), 5 July 2013.

<sup>15</sup> [That report](#) is available through the [APEC Policy Support Unit webpage](#).

Economy	Trade Remedy Measure	Source/Date	Status
Australia	Initiation on 26 November 2012 of countervailing investigation on imports of zinc coated (galvanised) steel (HS 7210.49.00; 7212.30.00) from China	Permanent Delegation of Australia to the WTO (23 May 2013)	
Australia	Initiation on 12 February 2013 of antidumping investigation on imports of hot rolled plate steel (HS 7208.40.00; 7208.51.00; 7208.52.00; 7225.40.00) from China; Indonesia; Japan; Korea, Rep. of; and Chinese Taipei	Permanent Delegation of Australia to the WTO (13 May 2013)	
Australia	Initiation on 12 February 2013 of countervailing investigation on imports of hot rolled plate steel (HS 7208.40.00; 7208.51.00; 7208.52.00; 7225.40.00) from China	Permanent Delegation of Australia to the WTO (13 May 2013)	
Australia	Termination on 2 May 2013 (without measure) of anti-dumping investigation on imports of quicklime "calcium oxide" (HS 2522.10.00) from Thailand (investigation initiated on 27 October 2011. Terminated on 3 April 2012, but on appeal the TMRO revoked the termination and the investigation was resumed on 28 June 2012)	WTO document G/ADP/N/230/AUS, 10 August 2012 and Permanent Delegation of Australia to the WTO (23 May 2013)	
Australia	Termination on 2 May 2013 (without measure) of anti-dumping investigation on imports of aluminium zinc coated steel (HS 7210.61.00) from Chinese Taipei (initiated on 5 September 2012)	WTO document G/ADP/N/237/AUS, 11 March 2013 and Permanent Delegation of Australia to the WTO (23 May 2013)	
Canada	Termination on 9 November 2012 of antidumping duties on imports of carbon steel welded pipe, commonly identified as standard pipe, in the normal size range from 0.5 inch up to and including 6 inches (12.7 mm to 168.3 mm in outside diameter) inclusive, in various forms and finishes (HS 7306) from Turkey (investigation initiated on 14 May 2012 and provisional duty imposed on 13 August 2012)	WTO document G/ADP/N/237/CAN, 21 February 2013	
Canada	Termination on 9 November 2012 of countervailing duties on imports of carbon steel welded pipe, commonly identified as standard pipe, in the normal size range from 0.5 inch up to and including 6 inches (12.7 mm to 168.3 mm in outside diameter) inclusive, in various forms and finishes (HS 7306) from Oman and the United Arab Emirates (investigation initiated on 14 May 2012 and provisional duty imposed on 13 August 2012)	WTO document G/SCM/N/250/CAN, 22 February 2013	
Canada	Initiation on 21 January 2013 of anti-dumping investigation on imports of galvanized steel wire (HS 7217.20.00; 7217.90.00) from China, Israel, and Spain	Permanent Delegation of Canada to the WTO (14 May 2013)	Provisional duty imposed on 22 April 2013
Canada	Initiation on 21 January 2013 of countervailing investigation on imports of galvanized steel wire (HS 7217.20.00; 7217.90.00) from China	Permanent Delegation of Canada to the WTO (14 May 2013)	Provisional duty imposed on 22 April 2013
Canada	Initiation on 4 March 2013 of anti-dumping investigation on imports of unitized wall modules (HS 4016.93.99; 6802.23.00; 6806.10.90; 7005.29.00; 7008.00.00; 7016.90.00; 7308.30.00; 7318.15.90; 7604.29.20; 7610.10.00; 7610.90.00; 7610.90.10; 7610.90.90) from China	Permanent Delegation of Canada to the WTO (14 May 2013)	
Canada	Initiation on 4 March 2013 of countervailing investigation on imports of unitized wall modules (HS 4016.93.99; 6802.23.00; 6806.10.90; 7005.29.00; 7008.00.00; 7016.90.00; 7308.30.00; 7318.15.90; 7604.29.20; 7610.10.00; 7610.90.00; 7610.90.10; 7610.90.90) from China	Permanent Delegation of Canada to the WTO (14 May 2013)	
Canada	Initiation on 22 April 2013 of anti-dumping investigation on imports of silicon metal (HS 2804.69.00) from China	Permanent Delegation of Canada to the WTO (14 May 2013)	
Canada	Initiation on 22 April 2013 of countervailing investigation on imports of silicon metal (HS 2804.69.00) from China	Permanent Delegation of Canada to the WTO (14 May 2013)	
Chile	Termination on 23 January 2013 (without measure) of anti-dumping investigation on imports of maize grain otherwise worked (HS 1104.23.00) from Argentina (initiated on 24 December 2012)	WTO document G/ADP/N/237/CHL, 13 February 2013	
Chile	Initiation on 23 January 2013 of anti-dumping investigation on	Sesión No. 349 de la	

Economy	Trade Remedy Measure	Source/Date	Status
	imports of maize grain otherwise worked (HS 1104.23.00) from Argentina	Comisión de Distorsiones del Banco Central - Diario Oficial No. 40.466 (23 January 2013)	
Chile	Initiation on 23 January 2013 of anti-dumping investigation on imports of preparations of a kind used in animal feeding containing maize (HS 2309.90.90) from Argentina	Sesión No. 349 de la Comisión de Distorsiones del Banco Central - Diario Oficial No. 40.466 (23 January 2013)	
Chile	Initiation on 23 January 2013 of anti-dumping investigation on imports of poultry meat (HS 0207) from Argentina	Sesión No. 349 de la Comisión de Distorsiones del Banco Central - Diario Oficial No. 40.466 (23 January 2013)	
Chile	Initiation on 9 April 2013 of safeguard investigation on imports of maize (HS 1005.90.20; 1005.90.90)	WTO documents G/SG/N/6/CHL/14, 23 April 2013 and G/SG/N/7/CHL/11/Su ppl.1, 29 April 2013	Provisional duty imposed on 24 April 2013
China	Initiation on 1 November 2012 of antidumping investigation on imports of solargrade polysilicon (HS 2804.61.90) from the EU	WTO document G/ADP/N/237/CHN/Corr.1, 16 April 2013	
China	Initiation on 1 November 2012 of countervailing investigation on imports of solar-grade polysilicon (HS 2804.61.90) from the EU	WTO document G/SCM/N/250/CHN, 9 April 2013	
China	Termination on 21 November 2012 of antidumping duties on imports of methyl ethyl ketone (HS 2914.12.00) from Singapore (imposed on 22 November 2007)	WTO document G/ADP/N/237/CHN, 10 April 2013	
China	Initiation on 6 February 2013 of anti-dumping investigation on imports of cellulose pulp native products (HS 4702.00.00; 4706.10.00; 4706.30.00) from Brazil, Canada, and the United States	Permanent Delegation of China to the WTO (13 May 2013)	
Indonesia	Initiation on 22 October 2012 of safeguard investigation on imports of dextrose monohydrate (HS 1702.30.10; 1702.40.00)	Permanent Delegation of Indonesia to the WTO (13 May 2013)	
Indonesia	Initiation on 28 November 2012 of safeguard investigation on imports of sheath contraceptive (HS 4014.10.00)	WTO document G/SG/N/6/IDN/20, 30 November 2012	
Indonesia	Termination on 28 March 2013 (without measure) of safeguard investigation on imports of D-glucitol (sorbitol) (HS 2905.44.00; 3824.60.00) (initiated on 13 December 2012)	WTO documents G/SG/N/6/IDN/21, 19 December 2012 and G/SG/N/9/IDN/6, 29 April 2013	
Indonesia	Initiation on 19 December 2012 of safeguard investigation on imports of flat-rolled product of iron or non-alloy steel, of a width of 600 mm or more, clad, plated or coated with aluminium-zinc alloys, containing by weight less than 0.6% of carbon, with a thickness not exceeding 1.2 mm (HS 7210.61.11)	WTO document G/SG/N/6/IDN/22, 8 January 2013	
Indonesia	Initiation on 28 December 2012 of safeguard investigation on imports of kilowatt hour meters including relevant parts and accessories (HS 9028.30.10; 9028.90.90)	WTO document G/SG/N/6/IDN/23, 10 January 2013	
Korea, Rep. of	Initiation on 9 November 2012 of anti-dumping investigation on plywood (HS 4412.31; 4412.32) from China	WTO document G/ADP/N/237/KOR, 4 February 2013	
Korea, Rep. of	Initiation on 7 January 2013 of anti-dumping investigation on oriented polypropylene film (HS 3920.20.00; 3921.90.20) from China, Indonesia, and Thailand	Korea Trade Commission (2013-1), Korean Government Gazette-17924 (7 January 2013)	
Malaysia	Termination on 22 November 2012 (withdrawal by the petitioner) of antidumping investigation on imports of hotrolled coils (HS 7208.36.00; 7208.37.00; 7208.38.00; 7208.39.10; 7208.39.91; 7208.39.99) from Chinese Taipei (initiated on 27 July 2012)	WTO document G/ADP/N/237/MYS, 31 January 2013	

Economy	Trade Remedy Measure	Source/Date	Status
Malaysia	Initiation on 20 February 2013 of antidumping investigation on imports of electrolytic tinplate (HS 7210.12.20) from China and Korea, Rep. of	Permanent Delegation of Malaysia to the WTO (4 June 2013)	
Malaysia	Termination on 20 February 2013 of antidumping duties on imports of steel wire rods (HS 7213.10; 7213.20; 7213.91; 7213.99) from Turkey (investigation initiated on 26 June 2012 and provisional duty imposed on 23 October 2012 )	WTO document G/ADP/N/237/MYS, 31 January 2013 and Permanent Delegation of Malaysia to the WTO (4 June 2013)	
Malaysia	Initiation on 5 April 2013 of anti-dumping investigation on imports of newsprint in rolls (HS 4801.00.10) from Belgium, Germany, Sweden, and the United Kingdom	Permanent Delegation of Malaysia to the WTO (4 June 2013)	
Malaysia	Initiation on 10 April 2013 of anti-dumping investigation on imports of stranded wire, ropes, cables (HS 7312.10.00) from China	Permanent Delegation of Malaysia to the WTO (4 June 2013)	
Mexico	Initiation on 21 November 2012 of antidumping investigation on imports of seamless steel pipes (HS 7304.19.01; 7304.19.04; 7304.19.99; 7304.31.01; 7304.31.10; 7304.31.99; 7304.39.01; 7304.39.05; 7304.39.99) from China	WTO document G/ADP/N/237/MEX, 14 March 2013	
Mexico	Termination on 27 November 2012 of antidumping investigation on imports of amoxicillin trihydrate (HS 2941.10.12) from India (initiated on 12 July 2011)	WTO document G/ADP/N/237/MEX, 14 March 2013	
Mexico	Initiation on 8 March 2013 of anti-dumping investigation on imports of pencils (HS 9609.10.01) from China	Permanent Delegation of Mexico to the WTO (24 May 2013)	
Peru	Termination on 19 October 2012 (without measure) of anti-dumping investigation on imports of unglazed or glazed ceramic flags and paving (HS 6907.90.00; 6908.90.00) from China (initiated on 20 August 2011)	WTO document G/ADP/N/237/PER, 19 March 2013	
Peru	Termination on 26 March 2013 of countervailing duties on imports of olive oil (HS 1509.10; 1509.90; 1510.00) from Italy and Spain (investigation initiated on 7 July 2009, and definitive duty imposed on 4 December 2010)	WTO document G/SCM/N/219/PER, 29 April 2011 and Permanent Delegation of Peru to the WTO (14 May 2013)	
[Chinese Taipei]	Termination on 11 December 2012 (without measure) of anti-dumping investigation on imports of coated paper (HS 4810.13; 4810.14; 4810.19) from China; Finland; Japan; and Korea, Rep. of (initiated on 3 February 2012)	WTO document G/ADP/N/237/TPKM, 12 February 2013	
Thailand	Initiation on 29 November 2012 of antidumping investigation on imports of high carbon steel wire rod (HS 7213.91.90; 7227.90.00) from China	WTO document G/ADP/N/237/THA, 27 March 2013	
Thailand	Initiation on 30 November 2012 of safeguard investigation on imports of hot rolled steel flat products with certain amounts of alloying elements such as boron, chromium, etc., in coils and not in coils, with or without patterns in relief, of a thickness of 0.9-50 mm and a width of 100-3,048 mm (HS 7225.30.90; 7225.40.90; 7226.91.10; 7226.91.90)	WTO documents G/SG/N/6/THA/2, 4 December 2012 and G/SG/N/7/THA/2, 13 February 2013	Provisional duty imposed on 7 February 2013
Thailand	Initiation on 7 December 2012 of safeguard investigation on imports of woven fabrics (HS 5208; 5513)	WTO document G/SG/N/6/THA/3, 17 December 2012	
United States	Initiation on 24 October 2012 of countervailing investigation on imports of hardwood and decorative plywood (HS 4412.10.05; 4412.31.05; 4412.31.25; 4412.31.40; 4412.31.51; 4412.31.60; 4412.31.91; 4412.32.05; 4412.32.25; 4412.32.31; 4412.32.56; 4412.39.10; 4412.39.30; 4412.39.40; 4412.39.50; 4412.94.10; 4412.94.31; 4412.94.41; 4412.94.60; 4412.94.70; 4412.94.80; 4412.94.90; 4412.99.06; 4412.99.10; 4412.99.31; 4412.99.41; 4412.99.57; 4412.99.60; 4412.99.70; 4412.99.80; 4412.99.90) from China	WTO document G/SCM/N/250/USA, 15 March 2013	
United States	Initiation on 25 October 2012 of anti-dumping investigation on imports of hardwood and decorative plywood (HS 4412.10.05; 4412.31.05; 4412.31.25; 4412.31.40; 4412.31.51; 4412.31.60; 4412.31.91; 4412.32.05; 4412.32.25; 4412.32.31; 4412.32.56;	WTO document G/ADP/N/237/USA, 13 March 2013	

Economy	Trade Remedy Measure	Source/Date	Status
	4412.39.10; 4412.39.30; 4412.39.40; 4412.39.50; 4412.94.10; 4412.94.31; 4412.94.41; 4412.94.60; 4412.94.70; 4412.94.80; 4412.94.90; 4412.99.06; 4412.99.10; 4412.99.31; 4412.99.41; 4412.99.57; 4412.99.60; 4412.99.70; 4412.99.80; 4412.99.90) from China		
United States	Termination on 7 November 2012 of antidumping duties on imports of silicomanganese (HS 7202.30; 7202.99) from Brazil (imposed on 22 December 1994)	WTO document G/ADP/N/237/USA, 13 March 2013	
United States	Termination on 29 November 2012 of antidumping duties on imports of folding metal tables and chairs (HS 9401.71; 9401.79; 9403.20; 9403.60; 9403.70) from China (imposed on 27 June 2002)	WTO document G/ADP/N/237/USA, 13 March 2013	
United States	Termination on 11 December 2012 of antidumping duties on imports of circular welded carbon-quality steel pipe (HS 7306.19.10; 7306.19.51; 7306.30.10; 7306.30.50; 7306.50.10; 7306.50.50) from India, Oman, United Arab Emirates, and Viet Nam (investigation initiated on 22 November 2011 and provisional duty imposed on 1 June 2012)	WTO document G/ADP/N/237/USA, 13 March 2013	
United States	Termination on 11 December 2012 of countervailing duties on imports of circular welded carbon-quality steel pipe (HS 7306.19.10; 7306.19.51; 7306.30.10; 7306.30.50; 7306.50.10; 7306.50.50) from India, Oman, United Arab Emirates, and Viet Nam (investigation initiated on 22 November 2011. Provisional duty imposed on 30 March 2012 for imports from India, United Arab Emirates and Viet Nam, and on 2 April 2012 for imports from Oman)	WTO document G/SCM/N/250/USA, 15 March 2013	Terminated on 22 October 2012 for imports from Viet Nam
United States	Initiation on 12 December 2012 of antidumping investigation on imports of silica bricks and shapes (HS 6901.00.00; 6902.20.10; 6902.20.50) from China	WTO document G/ADP/N/237/USA, 13 March 2013	
United States	Initiation on 25 January 2013 of countervailing investigation on imports of frozen warmwater shrimp (HS 0306.17.00; 1605.21.10; 1605.29.10) from China, Ecuador, India, Indonesia, Malaysia, Thailand, and Viet Nam	Permanent Delegation of the United States to the WTO (24 May 2013)	
United States	Termination on 19 March 2013 of antidumping duties on imports of corrosion-resistant carbon steel flat products (HS 72) from Germany and Korea, Rep. of (imposed on 19 August 1993)	Permanent Delegation of the United States to the WTO (24 May 2013)	
United States	Termination on 19 March 2013 of antidumping duties on imports of corrosion-resistant carbon steel flat products (HS 7210.30; 7210.41; 7210.49; 7210.61; 7210.69; 7210.70; 7210.90; 7212.20; 7212.30; 7212.40; 7212.50; 7212.60; 7215.90; 7217.20; 7217.30; 7217.90) from Germany and Korea, Rep. of (imposed on 19 August 1993)	Permanent Delegation of the United States to the WTO (24 May 2013)	
United States	Initiation on 23 April 2013 of anti-dumping investigation on imports of diffusion-annealed, nickel-plated flat-rolled steel products (HS 7225.99; 7226.99) from Japan	Permanent Delegation of the United States to the WTO (24 May 2013)	
Viet Nam	Initiation on 26 December 2012 of safeguard investigation on imports of vegetable oils (HS 1507.90.90; 1511.90.91; 1511.90.92; 1511.90.99)	WTO documents G/SG/N/6/VNM/2, 11 January 2013 and G/SG/N/7/VNM/1, 15 May 2013	Provisional duty imposed on 10 May 2013

Economy	Other Trade and Trade-related Measure	Source/Date	Status
China	Reduction (to 17,000 metric tonnes) of tin (HS Chapters 26; 28; 80) export quota for 2013	Permanent Delegation of China to the WTO (23 May 2013)	Effective 1 January 2013
China	First batch for 2013 of export quotas for rare-earth minerals (15,499 tonnes) announced on 27 December 2012. The batch is calculated by reference to the export volume of each enterprise from 2010 to January-October 2012 (first batch for 2012 was 10,546 tonnes)	Permanent Delegation of China to the WTO (23 May 2013)	Effective 1 January 2013
China	Release in December 2012 of the catalogues of items subject to automatic import licensing (ARF), and those under import licensing administration	Permanent Delegation of China to the WTO (23 May 2013)	Effective 1 January 2013

Economy	Other Trade and Trade-related Measure	Source/Date	Status
China	Release in December 2012 of the catalogue of items subject to export licensing administration	Permanent Delegation of China to the WTO (23 May 2013)	Effective 1 January 2013
Hong Kong, China	Temporary licensing arrangement for the export of "powdered formula" (milk powder and soya based formula powder) (ex HS 0402.10.00; 0402.21.10; 0402.21.20; 0402.21.90; 0402.29.00) for infants and young children aged under 36 months	WTO document G/MA/QR/N/HKG/1/Add.1, 14 May 2013	Effective 1 March 2013
Indonesia	Extension on 1 January 2013 of import licensing requirements on certain products, i.e. food and beverages, cosmetics, traditional medicine and food supplements, ready-to-wear clothes, footwear, electronics, and toys. This regulation also extended pre-shipment inspection and port of entry limitation that had previously been set to expire on 31 December 2012	Permanent Delegation of Indonesia to the WTO (23 May 2013)	Extended until 31 December 2015
Indonesia	Revised import licensing requirements (import permits) on certain products, i.e. cellular phones included smartphone exception satellite phones (HS 8517.12.00); handheld computer included personal digital assistant (PDA) and palmtop (HS 8471.30.10), and computer tablet (HS 8471.30.90)	WTO document G/LIC/N/2/IDN/13, 8 February 2013	Effective 1 January 2013
Indonesia	Revised regulation on exports of tin (HS 8001.10.00; 8001.20.00; 8003.00.10; 8003.00.90) introducing stricter requirements	Permanent Delegation of Indonesia to the WTO (23 May 2013)	Effective 1 January 2013
Indonesia	Restrictions on exports of timber (55 products) (HS 4407.10.00; 4407.24; 4407.25; 4407.26; 4407.29; 4407.91; 4407.92; 4407.99.90; 4409.10; 4409.21; 4409.29; 4412.31.00; 4412.32; 4412.39; 4412.94; 4412.99.00; 4418.10.00; 4418.20; 4418.40; 4418.50; 4418.60; 4418.71; 4418.72; 4418.79; 4418.90.00; 9406.00.92)	Permanent Delegation of Indonesia to the WTO (23 May 2013)	Effective 1 January 2013
Indonesia	Amendments in the licensing procedures for horticultural imports (HS Chapters 08; 20; 21) introduced aiming at establishing a one-stop service delivering import permits and licences to streamline the overall import process	Permanent Delegation of Indonesia to the WTO (23 May 2013)	Effective 15 May 2013
Malaysia	Elimination of import tariff exemptions on 18 grades of hot-rolled coils and plates	Permanent Delegation of Malaysia to the WTO (4 June 2013)	Effective 1 February 2013
Mexico	Amendments to the customs tariffs resulting in an increase (from zero to 6%) of import tariffs on 2 items: certain chemicals (HS 2852.90.01; 2852.90.99)	Permanent Delegation of Mexico to the WTO (15 May 2013)	Effective 24 November 2012
Philippines	Determination of dutiable value for imports of pork and poultry by the Bureau of Customs	Press reports (February 2013) ( <i>not confirmed</i> )	Effective 1 February 2013
Russian Federation (and Belarus, Kazakhstan)	Temporary increase of import tariffs (from 10% to 16%) on certain LCD and plasma televisions with and without video recording, and GPS navigation systems (HS 8528.72.20; 8528.72.40)	Permanent Delegation of the Russian Federation (23 May 2013)	Effective 8 May 2013
Russian Federation (and Belarus, Kazakhstan)	Temporary increase of specific import tariffs (to US\$205/tonne) on raw sugar (HS 1701.13.10; 1701.13.90; 1701.14.10; 1701.91.00)	Permanent Delegation of the Russian Federation (23 May 2013)	Effective 1 May 2013 to 31 May 2013
Singapore	Increase of import tariffs (excise rates) on tobacco products (HS 2401.10.10; 2401.10.20; 2401.10.40; 2401.10.50; 2401.10.90; 2401.20.10; 2401.20.20; 2401.20.30; 2401.20.40; 2401.20.50; 2401.20.90; 2401.30.10; 2401.30.90; 2402.20.10; 2403.19.11; 2403.19.20; 2403.99.50)	Permanent Delegation of Singapore to the WTO (10 May 2013)	Effective 25 February 2013
Singapore	Implementation of "Advance Export Declaration (AED)" for all exports, derogating an administrative exemption granted in 1976 allowing traders to submit the declaration within 3 days after export of non-controlled goods and non-dutiable goods by sea and air	Permanent Delegation of Singapore to the WTO (10 May 2013)	Effective 1 April 2013 (with an 18-month adjustment period until 30 September 2014)
Thailand	Changes in the import licensing procedures on certain products, i.e. cassava; swine's offal; shallots; fresh oranges; new pneumatic tyres of rubber; and electric fans, electric rice cookers, electric lamps	WTO document G/LIC/N/2/THA/4, 19 March 2013	Effective 27 December 2012
Viet Nam	Increase of import tariffs on raw sugar (from 15% to 25%) and refined sugar (from 15% to 40%) (HS 17)	VNA (8 December 2012) ( <i>not confirmed</i> )	Effective 1 January 2013

## Annex 3

### Investment Measures (6 October 2012 – 15 May 2013)

The following list of investment measures implemented in selected APEC economies from 6 October 2012 to 15 May 2013<sup>16</sup> is adapted from the most recent OECD-UNCTAD report on G20 investment measures<sup>17</sup> and from the OECD's inventory of investment measures under its Freedom of Investment process<sup>18</sup>. This list follows on from an earlier list provided at the Meeting of Ministers Responsible for Trade (MRT) in Surabaya, Indonesia in April 2013, which covered the period 4 May 2012 to 5 October 2012<sup>19</sup>.

Description of Measure	Date	Source	
<b>Australia</b>			
<i>Investment policy measures</i>	On 1 March 2013, the Protocol on Investment to the Australia-New Zealand Closer Economic Relations Trade Agreement (ANZCERTA) entered into effect.  Among other provisions, the Protocol increases the threshold that triggers inward investment screening procedures: New Zealand private investors undertaking business acquisitions henceforth benefit from the higher screening threshold of AUD 1,078 million (indexed annually), up from AUD 248 million. In exchange, the screening threshold for Australian private investors in New Zealand is now NZD 477 million (around AUD 390 million, and indexed annually), up from NZD 100 million (around AUD 80 million).	1 March 2013	"Milestone in Investment Ties with New Zealand", Joint media release, 1 March 2013.
<i>Investment measures relating to national security</i>	None during reporting period.		
<b>Canada</b>			
<i>Investment policy measures</i>	On 7 December 2012, Canada announced several clarifications to the foreign investment review process and expanded the definition of SOEs, which henceforth includes foreign companies that are "influenced" by a foreign state.  The changes include a clarification regarding reviews of proposed investments by foreign SOEs. When reviewing SOE transactions, the Minister will examine: the degree of control or influence a state-owned enterprise would likely exert on the Canadian business that is being acquired; the degree of control or influence a state-owned enterprise would likely exert on the industry in which the Canadian business operates; and the extent to which a foreign state is likely to exercise control or influence over the state-owned enterprise acquiring the Canadian business. As a general rule, non-controlling minority interests in Canadian businesses proposed by foreign SOEs, including joint ventures, will continue to be welcome, while investments by foreign SOEs to acquire control of a Canadian oil sands business will be found to be of net benefit on an exceptional basis only.	7 December 2012	"Statement Regarding Investment by Foreign State-Owned Enterprises", Industry Canada announcement, 7 December 2012.
<i>Investment measures relating to national security</i>	None during reporting period.		

<sup>16</sup> The period 16 September 2012 to 15 February 2013 is used for the following APEC members: Chile; Malaysia; New Zealand; and Peru.

<sup>17</sup> For more information, please see the "[Ninth Report on G20 Investment Measures](#)" prepared by the OECD and UNCTAD Secretariats.

<sup>18</sup> For more information, please see the OECD's "[Inventory of investment measures taken between 15 November 2008 and 15 February 2013](#)".

<sup>19</sup> [That report](#) is available through the [APEC Policy Support Unit webpage](#).

Description of Measure	Date	Source
<b>Chile</b>		
<i>Investment policy measures</i>	None during reporting period.	
<i>Investment measures relating to national security</i>	None during reporting period.	
<b>China</b>		
<i>Investment policy measures</i>	On 11 October 2012, the China Securities Regulatory Commission allowed foreign investors to hold stakes in the country's securities firms up to 49%, up from one third. In addition, securities firms, including joint ventures, can apply for permission to expand their businesses two years after going into operation in China (CSRC Decree No.86).	11 October 2012  "CSRC Decree No.86: Decision on Amending the Rules for the Establishment of Foreign-shared Securities Companies", China Securities Regulatory Commission, 11 October 2012.
	On 16 December 2012 China further raised the ceiling of its RMB qualified foreign institutional investor (RQFII) program by RMB 50 billion to now RMB 270 billion. The programme had initially been announced in August 2011, and similar to the Qualified Foreign Institutional Investors (QFII) programme, allows foreign investors to invest in mainland securities through Hong Kong, China-based financial firms. In preparation of the launch, the Ministry of Commerce had released, on 22 August 2011, the "Circular on Issues Related to Cross-border RMB FDI (Draft for Opinions)" for public comment until 20 September 2011.	16 December 2012  "RQFII Investment Quota to be Increased by 50 Billion RMB Yuan", China Securities Regulatory Commission News Release, 4 April 2012; "PBC Announcement on Implementation of RQFII Pilot Program", People's Bank of China release, 9 February 2012; "Measures for the Pilot Program on Domestic Securities Investments by Fund Management Companies and Securities Companies as RMB Qualified Foreign Institutional Investors", Decree No. 76 of the China Securities Regulatory Commission, the People's Bank of China, and the State Administration of Foreign Exchange;
	On 9 February 2012, the People's Bank of China released an Announcement on the Implementation of the RQFII Pilot Program, as a further step in the preparation of the launch of the RQFII programme, followed on 15 February 2012 by a circular by the State Administration of Foreign Exchange (SAFE).	
	In the first phase of the programme, qualified brokerages were allowed to invest an aggregate of RMB 20 billion in mainland securities, and on 4 April 2012, the expansion of the Renminbi Qualified Foreign Institutional Investor (RQFII) scheme to RMB 70 billion was announced.	
	On 15 November 2012, the Renminbi Qualified Foreign Limited Partner Program (RQFLP) was incepted in Shanghai. This programme allows QFIIs to set up private equity funds in China to make equity investments in unlisted enterprises.	15 November 2012
	Effective 17 December 2012, parts of the review process related to capital flows and currency exchange quotas of foreign enterprises were waived or simplified by China's State Administration of Foreign Exchange (SAFE). This concerns for instance approvals to open bank accounts, remit profits, and transfer money between different domestic accounts.	17 December 2012  "Notice on Further Improvement and Adjustment of Policies on Foreign Exchange Administration of Foreign Direct Investments", State Administration of Foreign Exchange, 21 November 2012.
	On 1 January 2013, the Regulatory Guidelines in relation to the Document Submission and Review Procedure for Stocks Issuance and Overseas Listing by Joint Stock Companies came into effect. The Guidelines, which were issued by the China Securities Regulatory Commission (CSRC) on 20 December 2012, loosen restrictions for Chinese companies that seek listing overseas.	1 January 2013
<i>Investment measures relating to national security</i>	None during reporting period.	
<b>Indonesia</b>		
<i>Investment policy measures</i>	None during reporting period.	

	Description of Measure	Date	Source
<i>Investment measures relating to national security</i>	None during reporting period.		
<b>Japan</b>			
<i>Investment policy measures</i>	None during reporting period.		
<i>Investment measures relating to national security</i>	None during reporting period.		
<b>Korea</b>			
<i>Investment policy measures</i>	<p>Effective 1 December 2012, the Republic of Korea further lowered the ratio of banks' foreign exchange derivatives positions to equity. Henceforth, local banks' foreign exchange derivatives positions (including FX forward, FX swap, cross currency interest rate swap, non-deliverable forward, etc.) are limited to 30% of equity, and foreign bank branches' positions may not exceed 150% of their equity.</p> <p>The Republic of Korea has first introduced this type of measure on 13 June 2010 as a means to mitigate volatility of capital flows. In a statement released on 19 May 2011, the Ministry of Strategy and Finance, the Financial Supervisory Commission, the Bank of Korea and the Financial Supervisory Service had further lowered the ratio of banks' foreign exchange derivatives positions to equity by 20%, effective on 1 June 2011. At the same time, the ratio of foreign exchange derivatives positions for local branches of foreign banks was cut to 200%, down from 250%; the ratio for domestic banks was lowered from 50% to 40%.</p>	1 December 2012	"Korean Government to Lower the Ratio of Banks' Foreign Exchange Derivative Position", Ministry of Strategy and Finance press release, 27 Nov. 2012.
<i>Investment measures relating to national security</i>	None during reporting period.		
<b>Malaysia</b>			
<i>Investment policy measures</i>	In his announcement on 7 October 2012 of the Budget 2012, the Malaysian Prime Minister announced that the Government will further liberalise foreign investment in phases in 2012 which include private hospital services; medical and dental specialist services; architectural, engineering, accounting and taxation, legal services; courier services; education and training services; as well as telecommunication services. This initiative will allow up to 100% foreign equity participation in selected subsectors.	7 October 2012	2012 Budget Speech, Prime Minister's Office, 7 October 2012.
<i>Investment measures relating to national security</i>	None during reporting period.		
<b>Mexico</b>			
<i>Investment policy measures</i>	None during reporting period.		
<i>Investment measures relating to national security</i>	None during reporting period.		
<b>New Zealand</b>			
<i>Investment policy measures</i>	None during reporting period.		
<i>Investment measures relating to national security</i>	None during reporting period.		

	Description of Measure	Date	Source
<b>Peru</b>			
<i>Investment policy measures</i>	None during reporting period.		
<i>Investment measures relating to national security</i>	None during reporting period.		
<b>Russian Federation</b>			
<i>Investment policy measures</i>	On 14 March 2013, the Russian Federation passed amendments to certain federal laws in order to ban the opening of branches of foreign banks in the territory of Russia. The changes do not concern Russian subsidiaries of foreign banks and of representative offices of foreign banks.	14 March 2013	Federal Law of 14 March 2013 No.29-FZ .
	On 12 April 2013, the Russian Federation amended the law "On Banks and Banking Operations". The amendment prohibits the Central Bank to impose restrictions on banking operations for foreign banks with participation of investors from OECD countries. Hitherto, the Central Bank was allowed to limit operations of those foreign banks, whose countries of domiciliation impose restrictions on local branches of Russian banks.	12 April 2013	
<i>Investment measures relating to national security</i>	None during reporting period.		
<b>United States</b>			
<i>Investment policy measures</i>	On 18 April 2013, the Federal Communications Commission adopted and released an order that provides greater investment flexibility by streamlining the policies and procedures that apply to foreign ownership of common carrier and certain aeronautical radio station licensees, that is, companies that provide fixed or mobile telecommunications service over networks that employ spectrum-based technologies.	18 April 2013	"Federal Communications Commission – Second Report and Order", Federal Communications Commission, FCC 13-50, 18 April 2013.
<i>Investment measures relating to national security</i>	None during reporting period.		