

The Changing World Trade Environment and the Future of Trade Remedies



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SUBSECRETARIA DE DEFESA COMERCIAL
E INTERESSE PÚBLICO

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Main Forum for Representatives
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Overview

**1. The current world trade environment:
the paradox trade-restrictive measures
vs trade remedies**

**2. The future of trade remedies:
challenges for the multilateral system
and for Brazil**



Overview

1. The current world trade environment: the paradox trade-restrictive measures vs trade remedies

- 1.1. Escalated protectionist rhetoric and trade tensions
- 1.2. Changing trade remedy tendencies
- 1.3. Comparison and considerations

2. The future of trade remedies: challenges for the multilateral system and for Brazil

- 2.1. Trade remedies in the multilateral trade system
- 2.2. Trade remedies in Brazil

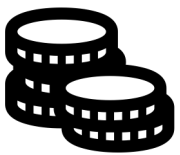


1. The current world trade environment: the paradox trade-restrictive measures vs trade remedies

1.1. Escalated protectionist rhetoric and trade tensions

Increase in trade-restrictive measure

- 40 trade-restrictive measures, such as tariff increases, import bans, export duties and quantitative restrictions to exports.
- Import-restrictive measures affected USD 480.9 billion of trade
 - a) more than six times the trade coverage for these measures presented in the previous report; and
 - b) the largest coverage since May, 2012.





1. The current world trade environment: the paradox trade-restrictive measures vs trade remedies

1.2. Changing trade remedy tendencies

Decrease in the use of trade remedies

- Initiations fell 45% in comparison to data presented in the last report (from 155 to 85 initiations).
- Trade coverage related to such initiations (USD 24,7 billion) is less than half of the trade coverage recorded for such measures in the previous report.





1. The current world trade environment: the paradox trade-restrictive measures vs trade remedies

1.3. Comparison and considerations

Trade-restrictive
measures

40

USD 408,9 bi



Trade remedies

85

USD 24,7 bi

Need to **reduce** the use of such instruments, in order to **avoid uncertainties in international trade**.



The overall impact of trade remedies on trade is **only 6%** that of import-restrictive measures.



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2. The future of trade remedies: challenges for the multilateral system and for Brazil

2.1. Trade remedies in the multilateral trade system

There is the need to strengthen trade remedy instruments in the multilateral trade system

- Guarantee the use of objective criteria for the imposition of trade remedy measures, in accordance to the relevant WTO Agreements.
- Guarantee the adequate functioning of the WTO Dispute Settlement Body.
- Stimulate discussions in the Negotiating Group on Rules.



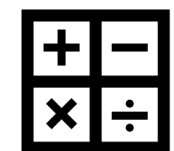
2. The future of trade remedies: challenges for the multilateral system and for Brazil

2.2. Trade remedies in Brazil

Recently, Brazil has initiated more sunset reviews than original AD investigations.



Due to that, the new Brazilian investigating authority is researching more technical and objective ways to carry out the analyses required in sunset reviews.



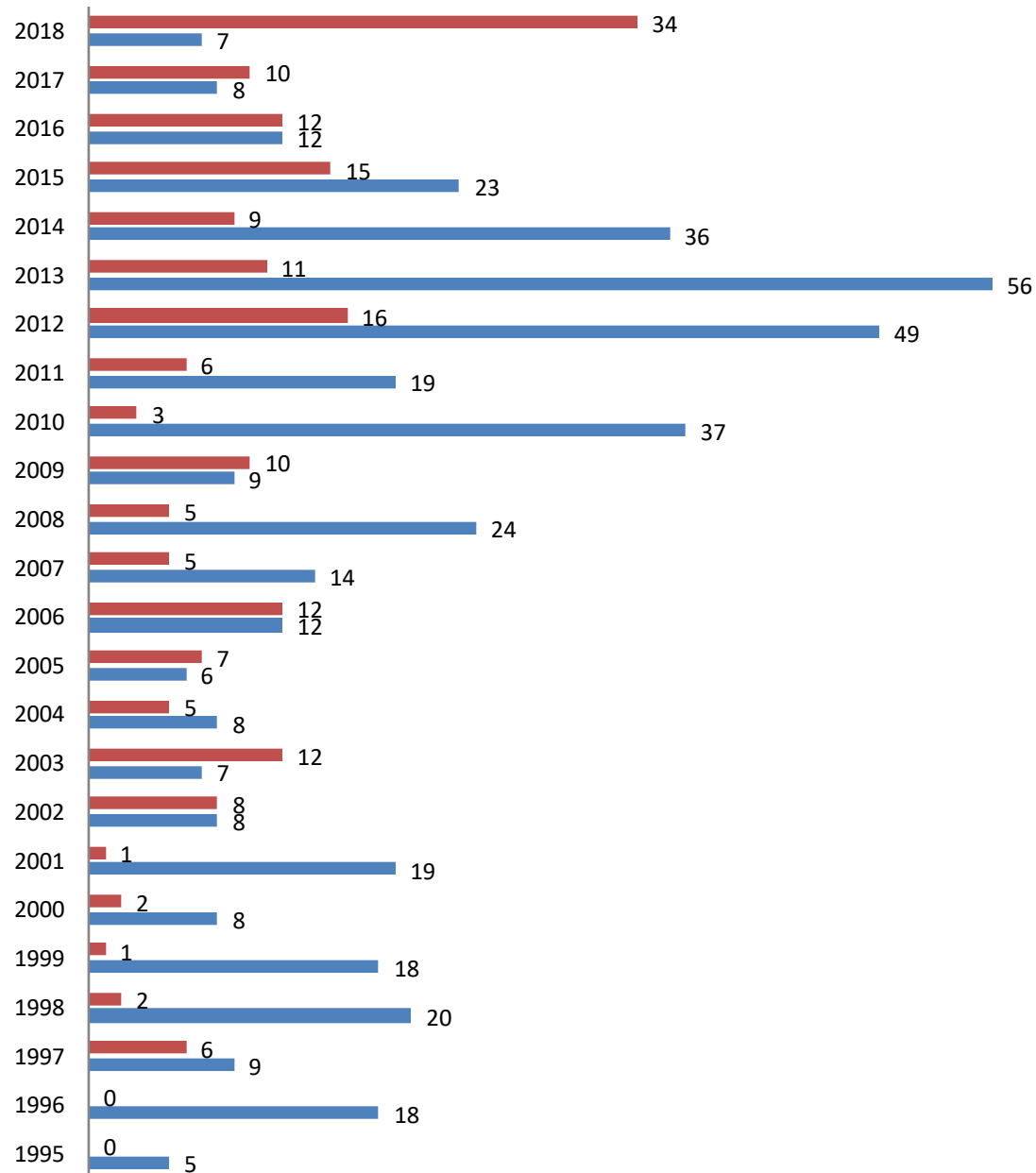
Initiation of Trade Remedies Investigations in Brazil (1995-2018)



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■ Sunset Reviews ■ Original Investigations



2. The future of trade remedies: challenges for the multilateral system and for Brazil

2.1. Trade remedies in Brazil

Another change concerning trade remedies in Brazil is the fact that the Brazilian investigating authority is now in charge of conducting public interest analyses.



In this sense, Brazil has been studying how such analyses are carried out around the globe and is now releasing new legislation and guidelines related to public interest analyses.



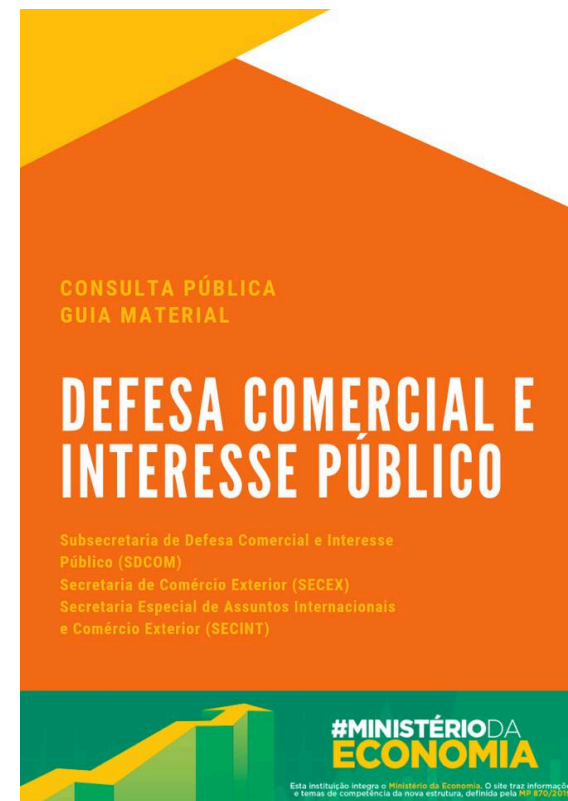
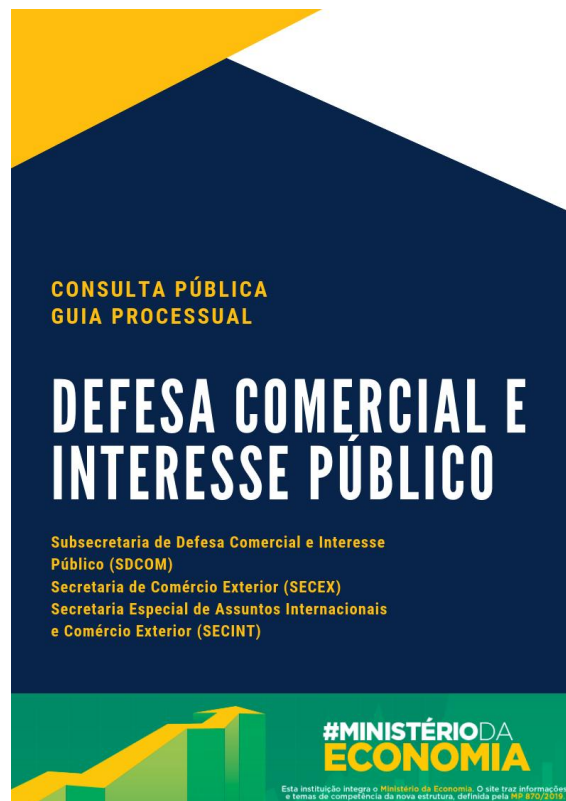


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2. The future of trade remedies: challenges for the multilateral system and for Brazil

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2. The future of trade remedies: challenges for the multilateral system and for Brazil

2.1. Trade remedies in Brazil

The Brazilian investigating authority's **continuous effort to improve** its practices and methodologies is the reason why **Brazil has never been condemned by the WTO Dispute Settlement Body** in cases related to trade remedy instruments.



Thank you!



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