

**GAIDAR INSTITUTE FOR ECONOMIC POLICY**

**RUSSIAN ECONOMY IN 2020**

**TRENDS AND OUTLOOKS**

*(Issue 42)*

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**Gaidar Institute Publishers  
Moscow / 2021**

UDC 338.1(470+571)»2020»  
BBC 65.9(2Poc)

R95 **Russian Economy in 2020. Trends and outlooks. (Issue 42)** / [V. Mau et al; scientific editing by Kudrin A.L., Doctor of sciences (economics), Radygin A.D., Doctor of sciences (economics), Sinelnikov-Murylev S.G., Doctor of sciences (economics)]; Gaidar Institute. – Moscow: Gaidar Institute Publishers, 2021. – 668 pp.: illust.

ISBN 978-5-93255-616-0

The review “Russian Economy. Trends and Outlooks” has been published by the Gaidar Institute since 1991. This is the 42th issue. This publication provides a detailed analysis of main trends in Russian economy, global trends in social and economic development. The paper contains 6 big sections that highlight different aspects of Russia’s economic development, which allow to monitor all angles of ongoing events over a prolonged period: global economic and political challenges and national responses, economic growth and economic crisis; the monetary and budget spheres; financial markets and institutions; the real sector; social sphere; institutional changes. The paper employs a huge mass of statistical data that forms the basis of original computation and numerous charts confirming the conclusions.

Reviewers:

*Kharlamov A.V.*, Doctor of sciences (Economics), Professor of the Department of General Economic Theory and History of Economic Thought, Saint Petersburg State University of Economics.

*Yakobson L.I.*, Doctor of sciences (Economics), Professor, Vice-President of the National Research University Higher School of Economics.

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BBC 65.9(2Poc)

ISBN 978-5-93255-616-0

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#### 4.8. Russia's participation in the WTO's trade disputes<sup>1</sup>

The WTO utilizes the trade dispute settlement mechanism in accordance with the Understanding on Rules and Procedures Governing the Settlement of Disputes (DSU).<sup>2</sup> As a WTO member, Russia has the right to uphold its trade interests by means of this instrument. The WTO dispute settlement procedure is made up of the following five main consecutive stages:

- *holding of bilateral consultations* (60 days from the day of request for consultations);
- *establishing of a panel* at the request of either party to the dispute and selection of the panelists to consider the case (45 days from the day of request for the panel to be established);
- *work of the panel* (6–9 months from the day of the start of work) and adoption of the panel's report by the Dispute Settlement Body (DSB) and the DSB's recommendations (60 days from the day of issuing of the panel's report);
- *consideration of the case by the Appellate Body (AB)*, in case of appeal by either party to the dispute (60–90 days from the day of appeal), adoption of the report by the Appellate Body of the DSB and announcement of the DSB's recommendations to the parties (30 days from the day of issuing of the Appellate Body Report);
- *the DSB control* over the implementation of recommendations (maximum 15-18 months from the day of adoption by the DSB of the panel's report or the Appellate Body Report).

As of the year-end 2020, Russia participated in 103 WTO disputes: in 8, 9 and 86 disputes as the complainant, the respondent and the third party, respectively.

In most cases, Russia has participated as a principal party to WTO disputes with the EU, Ukraine, as well as the US. As the complainant, Russia is interested in anti-dumping investigations and measures, particularly, concerning the iron and steel

1 This section was written by *Baeva M.*, Researcher of the Center for International Trade Studies, RANEPА; *Knobel A.*, Candidate of Economic Sciences, Director of the Center for International Trade Studies, RANEPА, Director of the Institute of International Economics and Finance, RFTA.

2 URL: [https://www.wto.org/english/tratop\\_e/dispu\\_e/dispu\\_e.htm](https://www.wto.org/english/tratop_e/dispu_e/dispu_e.htm)

3 URL: <https://www.iep.ru/files/text/trends/2019/04.pdf>

industry and the chemical industry. Other countries file complaints against Russia regarding technical barriers to trade (TBT) and SPS (sanitary and phytosanitary) and anti-dumping measures affecting trade, tariffs and transit.

As the third party, Russia has participated most commonly in disputes concerning products of the iron and steel industry, the agriculture, the food industry, the motor industry and the aircraft-building industry, as well as RES, wood and articles thereof. A particular attention is paid to the disputes related to anti-dumping investigations and measures, as well as subsidies and countervailing measures. Russia's participation in disputes as the third party is related not only to its substantial trade interest, but also the practice of taking part in specific disputes (particularly, disputes concerning safeguard investigations and measures) and system-based interest in administration of the WTO regulations because Russia stands now and then on positions similar to those of respondents (protection of life and health of individuals and animals).

Though its participation in trade disputes is not that active as compared with other countries and integration associations (primarily, the US, the EU, China and Canada), Russia is amassing experience and taking increasingly more and more advantage of opportunities to promote positioning of its products and companies abroad.

Notwithstanding its current functionality difficulties, the WTO remains a multilateral institution entrusted with important trade monitoring functions and development of new trade rules through negotiating and upholding its members' interests on the basis of the dispute settlement mechanism. Russia should continue to stand for the preservation of the WTO as the pillar of the multilateral trade system and participate in search for the ways out of the dispute settlement crisis.

In 2020, Russia did not initiate any disputes as the principal party. In 2020 Ukraine revoked antidumping measures on ammonium nitrate imports from Russia, having complied with the DSB's recommendations on dispute DS493. The Panel upheld Russia's claims in the dispute with the EU concerning energy cost adjustment methodologies and antidumping measures (DS494). Russia complied with the DSB's recommendations regarding the dispute initiated by Ukraine over the measures affecting the importation of railway equipment and parts thereof (DS499).

In 2020, Russia joined 7 disputes as the third party. Some of those disputes are already over, but it is noteworthy that Russia benefitted (directly or indirectly) from its participation in them.

Let us review below how the situation changed in 2020 regarding WTO trade disputes which Russia participated in:

- as the complainant;
- as the respondent.
- as the third party.

Also, analyzed below is the crisis of the WTO trade dispute settlement mechanism and the effect of the COVID-19 pandemic on it.

#### 4.8.1. Russia as the complainant

##### *DS493: Ukraine – Anti-Dumping Measures on Ammonium Nitrate (Russia)*

On May 7, 2015, Russia requested consultations with Ukraine regarding the latter's antidumping measures imposed on ammonium nitrate imports originating from Russia.<sup>1</sup> In summer 2018, the Panel presented the report ruling that Ukraine had carried out anti-dumping investigation with violation of the WTO regulations: instead of taking into account electricity prices from Russian producers, Ukraine used the third parties' prices and applied the so-called "energy cost adjustments." On August 23, 2018, Ukraine filed an appeal against the Panel's ruling and on September 12, 2019 the Appellate Body Report which upheld the Panel's findings was circulated to the parties. On September 30, 2019, the DSB adopted the Appellate Body Report and the Panel's report with recommendations for Ukraine to bring its measures in compliance with the WTO regulations.<sup>2</sup>

On April 8, 2020, the arbitrator determined the reasonable period of 11 months and 15 days for Ukraine to comply with (until September 15, 2020). The anti-COVID-19 measures were regarded by the arbitrator as factors which could affect Ukraine's ability to comply with the recommendations in time. On September 21, 2020, Ukraine revoked its anti-dumping measures.

##### *DS494: European Union – Cost Adjustment Methodologies and Certain Anti-Dumping Measures on Imports from Russia (Russia)*

On May 7, 2015, Russia requested consultations with the European Union regarding the cost adjustment methodology used by the EU pursuant to Article 2.3 and Article 2.5 of EU Council Regulation No.1225/2009 of November 30, 2009 on protection against dumped imports from countries not members of the European Community for the calculation of anti-dumping margins in anti-dumping investigations and reviews.<sup>3</sup>

Russia believes that in anti-dumping investigations regarding ammonium nitrate and welded pipes the European Union has breached its WTO obligations because in calculating the cost of production the third countries' electricity prices (cost adjustments) were taken into account instead of those prevailing in Russia and this caused substantial injury to Russian suppliers. By estimates, the EU's measures against Russia have brought virtually to a halt the exports of Russian welded pipes to the EU (the measures have been in effect since 2008), while the exports of ammonium nitrate from Russia to the EU have decreased almost 1.5-fold as compared with 2012 (about \$220mn worth of ammonium nitrate exports in 2012).<sup>4</sup> In 2014, the European Union accounted for around 30% of Russian exports of challenged goods (nearly 11% of the European Union's imports of ammonium nitrate and welded pipes).<sup>5</sup>

1 URL: [https://www.wto.org/english/tratop\\_e/dispu\\_e/cases\\_e/ds493\\_e.htm](https://www.wto.org/english/tratop_e/dispu_e/cases_e/ds493_e.htm)

2 URL: <https://www.iep.ru/files/text/trends/2019/04.pdf>

3 URL: [https://www.wto.org/english/tratop\\_e/dispu\\_e/cases\\_e/ds494\\_e.htm](https://www.wto.org/english/tratop_e/dispu_e/cases_e/ds494_e.htm)

4 URL: Russia filed a complaint to the WTO against Ukraine and the European Union // <http://www.wto.ru/2015/05/07/>

5 URL: <https://www.iep.ru/files/text/trends/2018/04.pdf>

On July 24, 2020, the Panel's report was circulated. As regards Russia's claim "*as such*" in respect of the cost adjustment methodology, the Panel determined that Russia demonstrated the existence of this methodology, as well as its general application and noted that the EU was not able to identify any instance of non-application thereof. The Panel came to the conclusion that the alleged unreasonableness of costs did not constitute an adequate or sufficient basis to conclude that the records of the investigated producers did not reasonably reflect the costs related to the production and sale of the product concerned with the meaning of Article 2.2.1.1 (Determination of Dumping) of the Anti-Dumping Agreement. Also, the Panel upheld Russia's claim that the cost adjustment methodology was inconsistent with Article 2.2 of the Anti-Dumping Agreement, by providing for the use of out-of-country input price information without establishing whether such information was adequate to reflect the cost of production in the country of origin.

As regards Russia's "as applied" claim regarding the expiry of the validity period of anti-dumping measures on welded pipes, the Panel determined that the EU's measures were inconsistent with Article 2.2.1.1. of the Anti-Dumping Agreement because the EU rejected the costs specified in Russian producers' records. The panel came to the conclusion that the EU violated Article 2.2.1 of the Anti-Dumping Agreement because in its ordinary-course-of-trade determination the EU had relied on costs that were calculated on the wrong basis inconsistent with the abovementioned article. The Panel ruled that the European Union violated Article 11.3 (Duration and Review of Anti-Dumping Duties and Price Undertakings) by basing its conclusion that dumping was likely to reoccur on costs of production calculated on the wrong basis.

As regards Russia's "as applied" claim regarding the third review of anti-dumping measures on ammonium nitrate, the Panel disagreed with Russia that the European Union violated Article 11.3. of the Anti-Dumping Agreement, having determined that there was a likelihood of recurrence of dumping and injury if the anti-dumping measures lapsed. However, the Panel upheld some of Russia's "as applied" claims.

The Panel did not agree that the EU Baseline Regulation on Anti-Dumping Measures "as such" violated the WTO rules. The Panel disagreed that the EU Regulation required the use of only "representative" prices in the construction of the normal value of the like product and introduced an additional condition which was not provided for by Article 2.2 of the WTO Anti-Dumping Agreement permitting the authorities to use alternative methods in determining the normal value. The Panel decided that though Article 2 (5) did not require adapting out country information to arrive at the cost of production in the country of origin, it was not sufficient to render the challenged provision inconsistent "as such" with Article 2.2 of the Anti-Dumping Agreement.

On August 28, 2020, at the very end of the validity period the European Union filed an appeal against the Panel's ruling, thus actually putting the dispute on hold with the ruling, so important to Russia, in favor of the respondent on most claims. In response, Russia filed a cross- appeal on September 2, 2020.

***DS521: European Union – Anti-Dumping Measures on Certain Cold-Rolled Flat Steel products from Russia (Russia)***

On January 27, 2017 Russia requested consultations with the European Union concerning anti-dumping measures imposed by the European Union on certain cold-rolled flat steel products from Russia.<sup>1</sup> In 2016, the exports of challenged products from Russia to the European Union decreased by 84% as compared with 2015; the share of these exports in the overall exports of these products fell from 46% in 2015 to 10% in 2016.<sup>2</sup> The following anti-dumping duties of 34%, 18.7% and 36.1% were introduced against Russian producers PAO Severstal, OAO MMK and PAO NLMK and others, respectively. This dispute is the example of Russia's challenging the "cost adjustment" practice applied in anti-dumping investigations where the information from Russian producers is substituted for that from the third countries despite the fact that the European Union has recognized Russia's market economy status. On March 13, 2019 Russia requested the DSB to establish a Panel and it was done on April 26, 2019. Some countries which joined the dispute as the third parties upheld the complainant's position, while others (Ukraine had a similar dispute with Russia resolved in favor of the latter late in September 2019 (DS493)), the respondent's.<sup>3</sup>

On March 16, 2020 the Panel was composed. In the light of the COVID-19 pandemic and complexity of the dispute the Panel does not expect to issue the report before July 2021.

#### 4.8.2. Russia as the respondent

***D475: Russian Federation – Measures on the Importation of Live Pigs, Pork and Other Pig Products (European Union)***

Early in April 2014 the European Union requested consultations with Russia concerning the ban on imports of pork and live pigs from all EU member-states because of concerns related to cases of African Swine Fever (ASF) and imposition of restrictions on supplies of all types of prefabricated pork products from Poland and Lithuania.<sup>4</sup>

On June 27, 2014 the European Union asked the DSB to establish a Panel and it was done a month later. On August 19, 2016, the Panel presented the report with the ruling that the measures were inconsistent with the standards of the OIE (the World Organization for Animal Health) and introduced in violation of the WTO agreement on SPS measures. It was stated that the Russian Federation did not properly evaluate the risk on the scientific basis for adapting the regionalization principle to carry out trade with individual regions of a country which were recognized pest-or disease free if the situation was unfavorable in the rest of that country. On the contrary, Russia introduced the EU-wide ban on all imports of pork and live pigs. The Panel noted that Russia's measures were discriminatory

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1 URL: [https://www.wto.org/english/tratop\\_e/dispu\\_e/cases\\_e/ds521\\_e.htm](https://www.wto.org/english/tratop_e/dispu_e/cases_e/ds521_e.htm)

2 UN COMTRADE database. URL: <http://comtrade.un.org/>

3 URL: <https://www.iep.ru/files/text/trends/2019/04.pdf>

4 URL: [https://www.wto.org/english/tratop\\_e/dispu\\_e/cases\\_e/ds475\\_e.htm](https://www.wto.org/english/tratop_e/dispu_e/cases_e/ds475_e.htm)

and constituted a disguised restriction on trade. On September 23, 2016, Russia filed an appeal against some issues and legal interpretations in the Panel's report. On September 28, 2016, the European Union filed a cross appeal. On February 23, 2017, the Appellate Body issued the report which upheld the Panel's findings regarding imports of pig products from the EU. The Appellate Body agreed with the Panel's findings that such a total ban was a measure introduced by Russia, while the conditions of Russia's joining the WTO did not include any restrictions on evaluation by the Panel of the European Union's claims concerning the ban.<sup>1</sup> Overall, the Appellate Body upheld the Panel's findings and the DSB issued recommendations to Russia to bring its measures in compliance with the WTO regulations. On April 19, 2017, Russia declared that it would comply with the DSB's recommendations, but it needed a reasonable period of time to do it. On June 2, 2017, Russia and the European Union agreed on the reasonable period of 8 months and 15 days from the day of adoption of the Appellate Body Report. The period expired on December 6, 2017 and Russia had complied with the DSP's demands by that time: Russia lifted the EU-wide ban on the importation of pork, live pigs and other pig products because of the outbreak of African Swine Fever, except for administrative territories specified in the relevant list and approved the agreed upon EU-Russia bilateral veterinary certificates. The Ministry of Economic Development of the Russian Federation declared that the food import ban introduced in response to the EU's sanctions was still in effect.<sup>2</sup> This ban is not a measure at dispute. According to the EU, Russia failed to comply in full the DSB's recommendations and in the light of this on December 19, 2017 the European Union requested counter measures to be introduced in terms of suspension of rebates and obligations worth euro 1.39 bn a year (respective exports in 2013) with an annual increase of 15%. Russia disagreed and the panel was appointed on January 3, 2018.<sup>3</sup> In autumn 2018, the panel (made up of experts of the previous panel) was established to verify Russia's compliance with the DSB's recommendations. On January 28, 2020, the Panel granted the European Union's request of January 24, 2020 to suspend the work pursuant to Article 12.12 (Panel Work Procedure) of the DSU. The Panel's authority lapsed on January 28, 2021.

***DS499: Russia– Measures Affecting the Importation of Railway Equipment and Parts Thereof (Ukraine)***

On October 21, 2015 Ukraine requested consultations with Russia concerning the measures imposed on the importation of railway equipment and parts thereof (particularly, rolling stock and railroad switches)<sup>4</sup>.

Ukraine claims that Russia has suspended certificates of conformity issued to suppliers of Ukrainian railway products and rolling stock before the entry in force of the new technical regulations and rejected requests for new certificates to be issued. Ukraine claims that Russia discriminates against products of the

1 URL: [http://pticainfo.ru/news/?ELEMENT\\_ID=53214](http://pticainfo.ru/news/?ELEMENT_ID=53214)

2 URL: <https://www.rbc.ru/rbcfreenews/5a27ccc99a79474b20fce4f8>

3 URL: <https://www.iep.ru/files/text/trends/2018/04.pdf>

4 URL: [https://www.wto.org/english/tratop\\_e/dispu\\_e/cases\\_e/ds499\\_e.htm](https://www.wto.org/english/tratop_e/dispu_e/cases_e/ds499_e.htm)



Ukrainian origin as compared with the like products from other WTO member-states and Russia. These measures led to excessive restrictions on international trade and Russia failed to respond to Ukraine's request to explain the reasons for adopting these measures. Ukraine believes that the Russian competent authorities have breached some conformity assessment procedures. The authorized bodies' conformity assessment requirements were in excess of those in respect of the information and amount of payment. On July 30, 2018, the Panel, which started its work early in March 2017, issued the report. The Panel disagreed with Ukraine's claims that Russia's violations were systematic. At the same time, the Panel agreed that Russia's requirement was discriminatory against Ukrainian products, individual decisions on refusal to issue certificates were in excess of the standard requirements of the conformity assessment procedure and assessment results were not properly communicated to the applicants.<sup>1</sup> Late in August, Ukraine filed an appeal, while Russia did it early in September 2018.<sup>2</sup>

On February 4, 2020, the Appellate Body issued a report in which it rejected Russia's claim that the Panel had erred in its preliminary ruling. In particular, the Appellate Body ruled that the Panel had analyzed properly the linkage between the measures challenged by Ukraine and the WTO provisions allegedly infringed. The Appellate Body agreed with the Panel that Ukraine had properly identified the measures in its request.

Russia put forward some claims pursuant to Article 11 (the Panel's Functions) of the DSU regarding the Panel's findings in respect of the requirement that the Russian authorities should not recognize certificates issued in other EEU member-states if certified railway products were not manufactured in the EEU member-states. The Appellate Body rejected these requirements. It ruled, in particular, that the review of this measure was within the Panel's competence.

As regards Ukraine's claims, the Appellate Body agreed with the Panel that the assessment of whether access was granted on conditions no less favorable than "in a comparable situation" within the meaning of Article 5.1.1. (Procedure for Assessment of Conformity by Central Government Bodies) of the Agreement on Technical Barriers in Trade (TBT) should focus on factors having a bearing on conditions of granting access to conformity assessment and the ability of the regulating Member to ensure compliance with the requirements in the underlying technical regulation or standard. In examining factors relevant for establishing the existence of a "comparable situation" in the particular circumstances of this case, the Panel did not focus sufficiently on the aspects specific to the suppliers who had been granted access under less favorable conditions and instead relied on information concerning the security situation in Ukraine in general. Accordingly, the Appellate Body reversed the Panel's application of Article 5.1.1 to the facts of this case.

The Appellate Body disagreed with the Panel that it was for Ukraine to establish that there had been any non-conformities or consumer complaints relating to products at issue. The Appellate Body found that Ukraine failed to demonstrate

<sup>1</sup> URL: <http://www.vavt.ru/materials/site/BE758A6F>

<sup>2</sup> URL: <https://www.iep.ru/files/text/trends/2018/04.pdf>

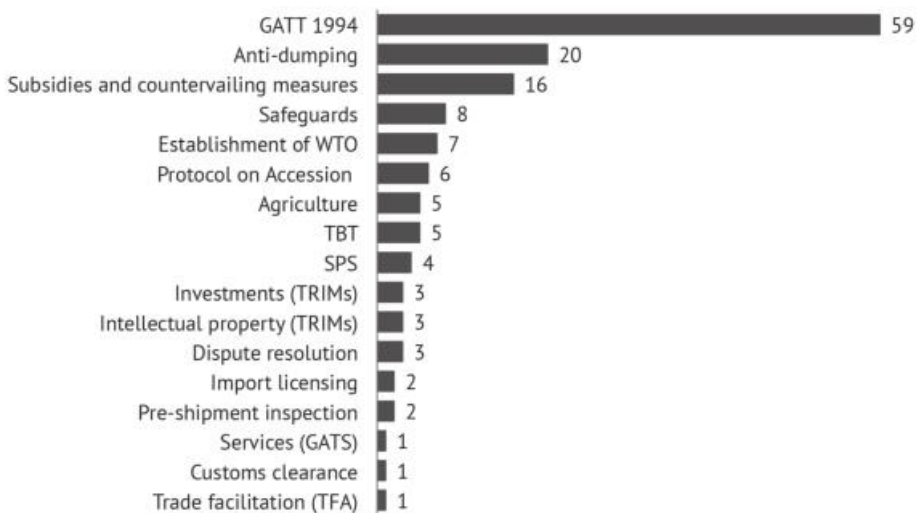
that Russia systemically prevented the importation of Ukrainian railway products into Russia.

On March 5, 2020, the DSB adopted the Appellate Body Report and the Panel’s report. On March 19, 2020, Russia notified that it revoked certain requirements for recognition of conformity assessment procedures and informed relevant Ukrainian producers of requirements they should comply with to obtain a certificate of conformity, having implemented the DSB’s recommendations. On March 23, 2020, Ukraine asked the DSB to request Russia to elaborate on the requirements Ukrainian producers had to comply with in order to obtain the certificates of conformity, in particular, those related to the safety of the employees of the certification body. Ukraine also noted that it believed that the issue of the implementation of the DSB’s rulings and recommendations could be considered only after receiving and analyzing the requested information.

*Table P.1* of the Annex presents WTO disputes which Russia is a principal party to.

#### 4.8.3. Russia as the third party

As of the year-end of 2020, Russia is participating or participated as the third party in 86 WTO trade disputes (*Table. P.2* of the Annex) of which about 37.2% of the disputes ended up one way or another, while in 44.2% of the disputes the main dispute settlement procedures were completed.



*Fig. 36.* The subject matter of the WTO disputes which Russia joined as the third country

*Source:* based on the WTO website’s official data: URL: [https://www.wto.org/english/tratop\\_e/dispu\\_e/cases\\_e/ds462\\_e.htm](https://www.wto.org/english/tratop_e/dispu_e/cases_e/ds462_e.htm)

In 2020, Russia joined 7 disputes: 3 disputes on tariffs, 1 dispute on anti-dumping measures, 1 dispute on safeguard measures and 1 dispute on export restrictions. It often happens that some technically different disputes initiated by different complainants are related with the respondent's one and the same measures.

Russia joins more often the disputes on measures affecting agricultural and food products, the iron-and-steel industry, the motor industry, the aircraft-building industry, the chemical industry, wood and articles thereof and renewable energy sources (RES). As regards agreements which cover the disputes Russia has joined as the third party (one dispute normally covers several agreements), *Fig. 36* presents the relevant breakdown of the subjects of disputes. Generally, most disputes relate to GATT, as well as the Anti-Dumping Agreement and subsidies and countervailing measures. Also, Russia takes interest in the instances of the violation of the Agreement on Safeguards and the Agreement on Establishing the World Trade Organization.

We shall review 7 disputes (on 5 measures at dispute) which Russia joined to as the third party in 2020.

***DS582, DS588: India – Tariff Treatment on Certain Goods in the Information and Communications Technologies Sector (EU, Chinese Taipei), DS584: India – Tariff Treatment on Certain Goods (Japan)***

On April 2, 2019, May 10, 2019 and September 2, 2019, the European Union<sup>1</sup>, Japan<sup>2</sup> and Chinese Taipei,<sup>3</sup> respectively, requested consultations with India regarding the tariff treatment which India allegedly accorded to certain goods of the information and communications technologies sector (ICT).

When joining the WTO, India determined the ad valorem duty rate at 0% in respect of the abovementioned tariff items. However, India applies the duty of up to 20% to the importation of these goods depending on the tariff item and, hence, exceeds the bound rate. The complainants believe that these measures are inconsistent with Article II:1 (a) and Article II:1 (b) (Schedule of Concessions) GATT 1994.

On February 17, 2020 the EU requested the establishment of a Panel, on June 29, 2020 it was established and on August 31, 2020 the panelists were selected. On March 24, 2020, Chinese Taipei requested the establishment of a panel, on July 29, 2020 it was established and on August 31, 2020 the panelists were selected. On March 19, 2020, Japan requested the establishment of a panel, on July 29, 2020 it was established and on October 7, 2020 the panelists were appointed.

Russia's participation in this dispute is determined by its priority policy in the ICT sector, as well as its interest in reviewing disputes regarding the raising of tariffs above the bound levels. The trade interest in challenged goods is not very high: based on the data of 2019 Russia's share of these goods in the overall Russian exports to India is equal to about 1.4%, while in Indian imports, to 0.1%<sup>4</sup>.

1 URL: [https://www.wto.org/english/tratop\\_e/dispu\\_e/cases\\_e/ds582\\_e.htm](https://www.wto.org/english/tratop_e/dispu_e/cases_e/ds582_e.htm)

2 URL: [https://www.wto.org/english/tratop\\_e/dispu\\_e/cases\\_e/ds584\\_e.htm](https://www.wto.org/english/tratop_e/dispu_e/cases_e/ds584_e.htm)

3 URL: [https://www.wto.org/english/tratop\\_e/dispu\\_e/cases\\_e/ds588\\_e.htm](https://www.wto.org/english/tratop_e/dispu_e/cases_e/ds588_e.htm)

4 UN COMTRADE database. URL: <http://comtrade.un.org/>

***DS590: Japan – Measures Related to the Exportation of Products and Technologies to Korea (Republic of Korea)***

On September 11, 2019 the Republic of Korea requested the DSB for consultations with Japan regarding certain measures, including licensing policies and procedures adopted by Japan allegedly restricting exports of fluorinated polyimide, resist polymers and hydrogen fluoride, as well as their related technologies destined for Korea.<sup>1</sup> Those products are used primarily in the production of smartphones, TV displays and semiconductors. On July 1, 2019, the Ministry of Economy, Trade and Industry of Japan declared that it would apply tougher licensing requirements and procedures to the exportation of products and technologies under review if they were destined for Korea. The complainant believes that these measures are inconsistent with Article I (General Most-Favored-Nation Treatment), Article VIII (Fees and Formalities Connected with Importation and Exportation), Article X (Publication and Administration of Trade Regulations), Article XI:1 (General Elimination of Quantitative Restrictions), Articles XIII:1, XIII:5 (Non-Discriminatory Administration of Quantitative Restrictions) and Article XXIII:1 (b) (Elimination and Reduction of Concessions) GATT 1994; Article 2 (Opportunity to Comment, Information Before Entry into Force and Consultations), Article 6 (Disciplines on Fees and Charges Imposed on or in Connection with Importation and Exportation and Penalties), Article 7 (Release and Clearance of Goods), Article 8 (Border Agency Cooperation) and Article 10 (Formalities Connected with Importation, Exportation and Transit) of the Trade Facilitation Agreement (TFA); Article 2 (National Treatment and Quantitative Restrictions) of the Agreement on Trade-Related Investment measures (TRIMs); Article 3.1 (National Treatment), 4.1 (Most-Favored-Nation Treatment) and Article 28.2 (Rights Conferred) TRIMs; Article VI:1 and Article VI:5 (Domestic Regulation) GATS; Article XVI:4 (Market Access) of the Agreement Establishing the World Trade Organization.

On June 18, 2020, Korea asked the DSB to establish a panel and on July 29, 2020 it was established.

Russia's participation in this dispute can be explained by the importance of the importation of goods and technologies for the production of smartphones, TV displays and semiconductors, as well as interest in reviewing the discipline of disputes regarding relevant restrictions.

***DS591: Columbia – Anti-Dumping Duties on Frozen Fries from Belgium, Germany and the Netherlands (EU)***

On November 15, 2019, the EU requested consultations with Columbia regarding anti-dumping duties imposed by Columbia on imports of potatoes, prepared or preserved (otherwise than by vinegar or acetic acid), frozen (frozen fries) originating in Belgium, the Netherlands and Germany.<sup>2</sup> The EU claims that Columbia has carried out the anti-dumping investigation and introduced measures which are inconsistent with Article 1 (Principles), Articles 2.1, 2.4, 2.4.1, 2.6 (Determination of Dumping), Articles 3.1, 3.2, 3.4, 3.5, 3.6, 3.7, 3.8 (Determination of

1 URL: [https://www.wto.org/english/tratop\\_e/dispu\\_e/cases\\_e/ds590\\_e.htm](https://www.wto.org/english/tratop_e/dispu_e/cases_e/ds590_e.htm)

2 URL: [https://www.wto.org/english/tratop\\_e/dispu\\_e/cases\\_e/ds591\\_e.htm](https://www.wto.org/english/tratop_e/dispu_e/cases_e/ds591_e.htm)

Injury), Articles 5.1, 5.3, 5.4, 5.8 (Initiation and Subsequent Investigation), Articles 6.1.2, 6.2, 6.4, 6.5, 6.5.1, 6.8, 6.9 (Evidence), Articles 9.1, 9.2, 9.3 (Imposition and Collection of Anti-Dumping Duties), Article 11.1 (Duration and Review of Anti-Dumping Duties and Price Undertakings), Articles 12.2, 12.2.2 (Public Notice and Explanation of Determinations), Article 18.1 (Final Provisions) and Cl. 3 and Cl. 6 of Annex II (Best information Available in Terms of Paragraph 8 of Article 6) of the Anti-Dumping Agreement; Article 10 (Confidentiality of Information) of the Customs Valuation Agreement; Article VI (Anti-Dumping and Countervailing Duties) GATT 1994. In particular, Columbia failed to rely on the proper source of information on export prices from Belgium, Germany and the Netherlands and determined the export price of the investigated products on the basis of the DIAN database of prices of all exporting producers, rather than on the basis of the information on export prices from the producers under that investigation. In the light of this, Columbia set incorrectly the dumping margin too high and did not exclude the sampling from the calculation of the specific producer's dumping margin. The complainant believes that Columbia has erroneously included in the field of use of the product under investigation both traditionally frozen fries and frozen delicacies and failed to apply "the like product" term. There were other violations, too.

On February 17, 2020, the European Union requested the establishment of a panel, on June 29, 2020 the Panel was established and on August 24, 2020 the panelists were selected.

Russia takes interest in principle in disputes related to safeguard measures, particularly anti-dumping measures, both in terms of the existence of trade interest and the practice of participation in such disputes and reviewing the administration of the WTO's relevant regulations because plenty of similar measures have been imposed on Russia, too, and affect seriously Russian exports. The procedure for substitution of the data from the exporters under the anti-dumping investigation for the data of producers from the third countries is challenged by Russia, in some disputes (disputes DS474, DS494 and DS521 with the EU; dispute DS493 with Ukraine, and dispute DS586 with the US).

#### ***DS593: EU – Certain Measures Concerning Palm Oil and Oil Palm Crop-Based Biofuels (Indonesia)***

On December 9, 2019, Indonesia sent a request to the DSB for consultations with the EU regarding certain measures imposed by the EU and its member-states concerning palm oil and oil palm crop-based biofuels from Indonesia. In particular, it concerns Directive No.2009/28 of the European Parliament and of the Council of April 23, 2009 on the promotion of the use of energy from renewable sources as amended (the so-called RED I), as well as Directive No.2018/2001 of the European Parliament and of the Council of December 11, 2018 on the promotion of the use of energy from renewable sources (recycling) (RED II). For example, RED II sets the new target of at least 27% for renewable energy sources consumption in the European Union by 2030; the relevant rules of the calculation of the share

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1 URL: [https://www.wto.org/english/tratop\\_e/dispu\\_e/cases\\_e/ds593\\_e.htm](https://www.wto.org/english/tratop_e/dispu_e/cases_e/ds593_e.htm)

of energy from renewable sources and the model of reduction of the maximum share of biofuels and bioliquids produced from food and forage crops starting from 2021 allow the EU member-states to set lower limits and differentiate various types of biofuels and bioliquids. The complainant believes that these measures are inconsistent with Article 2 (Preparation, Adoption and Application of Technical Regulations by Central Government Bodies), Article 5 (Procedures for Assessment of Conformity by Central Government Bodies), Article 12 (Special and Differential Treatment of Developing Country Members) of the Agreement on Technical Barriers in Trade (TBT); Article I:1 (General Most-Favored-Nation Treatment), Article III:4 (National Treatment on Internal Taxation and Regulation), Article X:3 (a) (Publication and Administration of Trade Regulations) and Article XI:1 (General Elimination of Quantitative Restrictions) GATT 1994 and Article 3.1 (b) (Prohibition) and Article 5 (Adverse Effects) of the Agreement on Subsidies and Countervailing Measures.

On March 18, 2020, Indonesia requested the establishment of a panel, on July 29, 2020 the Panel was established and on November 12, 2020 the panelists were selected.

In February 2018, Indonesia won the dispute with the European Union regarding anti-dumping measures on biodiesel (DS480), which Russia joined as the third party. Russia's interest in such disputes can be explained, in particular, by the development of renewable sources both in the country and globally.

***DS595: European Union – Safeguard Measures on Certain Steel Products (Turkey)***

On March 13, 2020, Turkey requested consultations with the European Union concerning safeguard measures imposed by the EU on imports of certain steel products and investigations that led to the imposition of those measures.<sup>1</sup> Turkey declared that the investigation and the imposed measures were inconsistent with Article 2.1 and Article 2.2 (Conditions), Article 3.1 (Investigation), Articles 4.1(a), 4.1 (b), 4.1 (c), 4.2, 4.2 (a), 4.2 (b), 4.2 (c) (Determination of Serious Injury or Threat Thereof), Articles 5.1, 5.2 (Application of Safeguard Measures), Article 6 (Provisional Safeguard Measures), Articles 7.1, 7.4 (Duration and Review of Safeguard Measures) and Article 9.1 (Developing Country Members) of the Agreement on Safeguards; Article I:1 (General Most-Favored-Nation Treatment), II:1 (b) (Schedules of Concessions), XIII:1, XIII:2 (Non-Discriminatory Administration of Quantitative Restrictions) and Article XIX:1 (a) (Emergency Action on Imports of Particular Products) of GATT 1994. In particular, the complainant believes that the European Union's investigation failed to make accurate findings regarding unforeseen events and the way they led to growth in the importation of the relevant products creating a threat of injury to domestic producers, identify correctly the categories of products and other. The European Union imposed the final safeguard measure on steel products in terms of tariff quotas on February 2, 2019. Tariff quotas are determined in respect of each out of 26 commodity groups

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<sup>1</sup> URL: [https://www.wto.org/english/tratop\\_e/dispu\\_e/cases\\_e/ds595\\_e.htm](https://www.wto.org/english/tratop_e/dispu_e/cases_e/ds595_e.htm)



of steel products subject to that measure. A duty of 25% is imposed on shipments above the imposed quotas.<sup>1</sup>

On July 16, 2020, Turkey requested the establishment of a panel, on August 28, 2020 the Panel was established and on September 29, 2020 the panelists were selected.

Russia's participation in the dispute can be explained by its substantial trade interest (in 2019 the exports of commodity groups 72 and 73 from Russia to the EU accounted for 28.3% and 12.9% of Russia's overall exports of these commodity groups, respectively, while the EU's overall imports of these commodity groups, for 3.6% and 0.4%, respectively<sup>2</sup>), as well as the fact that these safeguard measures are aimed against all countries, including Russia and affect seriously Russian exporters.

### *DS597: United States – Origin Marking Requirement (Hong Kong)*

On October 30, 2020, Hong Kong requested consultations with the United States regarding certain measures concerning the origin marking requirement applicable to goods purchased in Hong Kong.<sup>3</sup> On August 11, 2020, the US Customs and Border Protection (USCBP) published a notice that after September 25, 2020 (later the deadline was postponed to November 10, 2020) goods produced in Hong Kong needed a marking which specified that their origin was "China." In Hong Kong's opinion, these US measures violated GATT 1994 because in respect of the importation rules and formalities related to origin marking the United States applied a more discriminatory treatment of goods from Hong Kong than similar goods from other countries; the United States did not apply their origin marking requirements on a consistent, unprejudiced and reasonable basis. Hong Kong believed that the measures violated Article 2 (Disciplines during the Transition Period) of the Agreement on Rules of Origin because:

- in respect of goods produced in Hong Kong, the United States requested compliance with a certain requirement not related to manufacturing or processing as a preliminary condition for determination of the country of origin;
- the United States made a distinction between Hong Kong and China and other members as regards the rules of origin which it applied to the importation of goods;
- the United States did not apply their rules of origin in a consistent, equal, unprejudiced and reasonable way.

Further, these measures did not comply with Article 2.1 (Preparation, Adoption and Application of Technical Regulations by Central Government Bodies) of the Agreement on Technical Barriers in Trade as origin marking requirements applied by the United States to the importation of goods were technical regulations and in respect of these technical regulations the United States extended less favorable

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1 Based on the Register of Safeguard Measures of the Ministry of Economic Development of the Russian Federation: URL: [https://www.economy.gov.ru/material/directions/vneshneekonomicheskaya\\_deyatelnost/dostup\\_na\\_vneshnie\\_rynki\\_i\\_zashchitnye\\_mery/reestr\\_ogranich\\_mer/](https://www.economy.gov.ru/material/directions/vneshneekonomicheskaya_deyatelnost/dostup_na_vneshnie_rynki_i_zashchitnye_mery/reestr_ogranich_mer/)

2 UN COMTRADE database. URL: <http://comtrade.un.org/>

3 [https://www.wto.org/english/tratop\\_e/dispu\\_e/cases\\_e/ds597\\_e.htm](https://www.wto.org/english/tratop_e/dispu_e/cases_e/ds597_e.htm)

regime to goods from Hong Kong than those afforded to similar goods produced in other countries.

On November 9, 2020, the United States expressed their readiness to start consultations with Hong Kong, however, in the US view the measures imposed concerned issues of national security not susceptible to review or capable of resolution by WTO dispute settlement.

On November 13, 2020, the Russia Federation requested to join the consultations. On November 19, 2020, the United States requested the Chair of the DSB to circulate a communication where it rejected the Russian Federation's request to join the consultations. The Russian Federation's intension to participate in this dispute was justified by the practice of participation in disputes concerning the rules of origin, as well as disputes where respondents referred to issues of national security not susceptible to review by the WTO. Also, participation in this dispute would be important to the Russian Federation in terms of the Republic of Crimea's exports and relevant sanctions imposed by other countries, including the United States in respect of goods originating from this Russian region. Probably, this was the reason for which the United States rejected the Russian Federation's request to join the consultations.

#### 4.8.4. The crisis of the WTO dispute settlement mechanism and the COVID-19 pandemic

In the past few years, the multilateral trade system has encountered certain problems. In 2020, the WTO faced the crisis caused by the COVID-19 pandemic amid its internal crisis: the crisis of the Appellate Body; transparency problems; complexity of negotiations; painful agenda issues; trade wars and "unfair trade practices" and other. Due to COVID-19 the WTO:

- has suspended face-to-face meetings;
- has postponed the 12<sup>th</sup> Ministerial Conference in Nur-Sultan to June 2021;
- partially fulfills its current work (some working bodies hold only online meetings);
- notifies its member-states of new trade policy measures (aimed at restricting or promoting trade) on a specially designed and regularly updated web-page of its official website;
- carries out in the online mode an exchange of views and the development of trade policy guidelines during the pandemic and publishes its member-states' statements on a regular basis;
- instructed its Secretariat to carry out additional monitoring (apart from collection of notifications) of trade policy measures on goods and services amid the pandemic, as well as the analysis of various trends in trade and pandemic-related effects on trade.

Alan Wolff, WTO Deputy Director-General has called on WTO member-states to discuss specific reforms within the WTO, particularly, the rebuilding of trust to the WTO and elimination of export restrictions on essential medicines and medical products.<sup>1</sup>

<sup>1</sup> URL: [https://www.wto.org/english/news\\_e/news20\\_e/ddgaw\\_30oct20\\_e.htm](https://www.wto.org/english/news_e/news20_e/ddgaw_30oct20_e.htm)



With the US blocking for long the decisions on the appointment of new members of the Appellate Body on grounds that radical reforms are needed, the WTO dispute settlement system has found itself in a difficult situation where the Appellate Body's work is actually suspended. The US believes that the Appellate Body exceeds its authorities and creates for member-states rights and obligations which are not provided for by the WTO's existing regulations. Another issue is the violation of deadlines for reviewing appeals. Plenty of WTO member-states agree that reforms are needed and believe that there are the following ways out of the crisis related to the Appellate Body:<sup>1</sup>

- the internal reform of the Appellate Body: change in the number of arbitrators, deadlines for implementation by them of their duties, deadlines for publication of reports and advisory proceedings options;
- parties' appeal waiver, that is, the recognition of the Panel's ruling as final and not subject to appeal. Take, for example, the agreement between Indonesia and Vietnam, the agreement between Indonesia and Chinese Taipei and the agreement between the US and Korea on the sequence of actions in case of appeal against the findings of the review of the dispute concerning the US compliance with the DSB's recommendations (as per Article 21.5 of the DSU: the parties to the dispute agreed not to challenge that ruling. If the parties agree later on arbitration proceedings within the framework of Article 25 of the DSU instead of appeal, the agreement will be amended);
- formation of a provisional alternative mechanism of arbitration proceedings (as per Article 25 of the DSU), which will function as the appeal body for a small group of countries (special agreement member-states) and make the final ruling on the case. This model was upheld by about 20 WTO member-states, including the European Union and China; the relevant agreement (MPIA) became effective in April 2020.<sup>2</sup>

Late in October 2020, the European Parliament and the Council of the European Union came to an agreement on the ways of administration of panel rulings made in favor of the EU: if the losing party files an appeal to the actually non-working Appellate Body and blocks further arbitration proceedings, the EU legislation provides for retaliatory measures to be introduced. After the agreement has been considered by the European Parliament Committee on International Trade, amendments to the Regulations of 2014 will be put to a vote at the European Parliament's plenary session and then be approved by the Council of the European Union.<sup>3</sup>

Late in October 2020, Alan Wolff, WTO Deputy Director-General put forward concrete proposals on the provisional solution of long-standing issues related to the WTO trade dispute settlement mechanism: in initiating a dispute within the

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1 The Monitoring of Topical Developments in the International Trade. Issue No.43 (February) 2020. URL: [http://www.vavt.ru/materials/site/5a32971b3b2f3d0c4325850c0030df55/\\$file/Monitoring\\_43.pdf](http://www.vavt.ru/materials/site/5a32971b3b2f3d0c4325850c0030df55/$file/Monitoring_43.pdf)

2 URL: <https://trade.ec.europa.eu/doclib/press/index.cfm?id=2176>

3 URL: <https://www.europarl.europa.eu/news/en/press-room/20201024IPR90124/agreement-on-stronger-eu-countermeasures-in-trade-disputes>

WTO before the panel has been established it is necessary to agree with the other party to the dispute that:

- either the Panel’s ruling will be deemed final;
- or further consideration of the dispute will be in accordance with arbitration proceedings as specified in the alternative scheme (for example, MPIA).

But how to convince countries to assume such obligations? We believe that Russia should uphold Alen Wolff’s proposal or work out its own proposal. It is necessary in terms of freezing the disputes important to Russia at the stage of work of the Appellate Body, particularly, the disputes with the EU concerning energy cost adjustments in which the Panel upheld Russia’s main claim (DS494). Probably, to overcome the crisis the Appellate Body should rely less on consensus as a decision-making instrument (in other words, it should promote the role of special opinions within the Appellate Body), raise the issue of changing the rulings’ precedent-setting nature typical of the previous practice, upgrade the standard of panel experts’ expertise and call for compliance with recommended deadlines.

The WTO regulations grant the WTO member-states a broad variety of opportunities to take trade measures which are deemed necessary to protect public health and wellbeing (including prohibition of/quantitative restrictions on imports and exports and non-automatic licensing of imports) in case of emergency situations in the international trade. The main principles are as follows:

- trade measures imposed by WTO member-states should not be discriminatory (the non-discrimination principle);
- trade measures should not be disguised restrictions on the international trade (they should be adequate and proportionate);
- the WTO member-states should notify all their partners of any new or modified requirements affecting the trade (notifications).

As regards social programs intensified because of the pandemic, for example, cash benefits for children, they have nothing to do with international trade regulations, that is, the WTO. As regards the support of the private sector during the COVID-19 pandemic, different countries applied a broad range of such measures. Russia supports its businesses during the pandemic no more than other countries do. Micro, small and medium enterprises (MSME) are broadly represented in the hardest-hit sectors; by virtue of their size, MSME are less sustainable and flexible to various shocks. In the years to come, experts predict a surge in countervailing investigations and measures owing to growing protectionism, trade wars and effects of the coronavirus pandemic. For example, the US has been carrying out anti-dumping and countervailing investigations regarding Russian seamless carbon and alloy tubes since July 2020.<sup>3</sup>

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1 URL: [https://www.wto.org/english/news\\_e/news20\\_e/ddgaw\\_30oct20\\_e.htm](https://www.wto.org/english/news_e/news20_e/ddgaw_30oct20_e.htm)

2 Bayeva M., Knobel A. (2020) Trade Restrictions During the Coronavirus Pandemic and their Conformity with the WTO Regulations // *Russia’s Economic Development*, Issue No.9. pp. 32–38: URL: <http://edrussia.ru/archive/2020/1184-09-2020>

3 The Review of the Existing Restrictions on Access of Russian Goods to Foreign Markets: URL: [http://www.ved.gov.ru/rus\\_export/torg\\_exp/](http://www.ved.gov.ru/rus_export/torg_exp/)

**Annex**

*Table P.1*

**WTO trade disputes which Russia participated in as the principal party  
(complainant or respondent)<sup>1</sup>**

<b>Dispute</b>	<b>Subject of Dispute</b>	<b>Current Status (as of year-end 2020)</b>
<i>As complainant</i>		
DS474: EU – Cost Adjustment Methodologies and Certain Anti-Dumping Measures on Imports from Russia (23.12.20132)	Cost adjustments in anti-dumping investigations for calculation of dumping margin (EU ignored information on costs and prices from Russian producers and exporters). EU verified expiry of term of anti-dumping measures without sufficient data on continuation of dumping and injury.	Selection of panelists (July 22, 2014). Dispute actually passed over to another dispute – see second complaint (DS494).
DS476: EU – Certain Measures Relating to Energy Sector (April 30, 2014)	EU Third Energy Package: gas-producing companies cannot be owners of major pipelines situated in EU. Operating-companies controlled by foreign entities have to pass a special certification procedure.	Work of Appellate Body (September 21, 2018). Appellate Body’s work is actually frozen
DS493: Ukraine – Anti-Dumping Measures on Ammonium Nitrate (May 07, 2015)	In anti-dumping investigation on ammonium nitrate, Ukraine failed in calculation of cost of production to take into account Russian electricity prices provided by producers; instead, Ukraine used third parties’ prices (energy cost adjustments).	Respondent complied with DSB’s recommendations (measures revoked) (September 21, 2020).
DS494: EU – Cost Adjustment Methodologies and Certain Anti-Dumping Measures on Imports from Russia (May 07, 2015)	In anti-dumping investigation on seamed tubes and ammonium nitrate from Russia, for calculating dumping margin EU took third countries’ prices (energy cost adjustments) instead of taking into account data on costs and prices from producers and exporters.	Work of Appellate Body (August 28, 2020). Appellate Body’s actual work is actually frozen.
DS521: EU – Anti-Dumping Measures on Cold Rolled Flat Steel Products from Russia (January 27, 2017)	In anti-dumping investigations, data from Russian producers is ignored by EU and replaced by unsubstantiated data and incorrect calculations.	Work of Panel (March 16, 2020)
DS525: Ukraine – Measures Relating to Trade in Goods and Services and Transit (19.05.2017)	Comprehensive complaint on Ukrainian measures on trade in goods and services from Russia	In consultations (May 19, 2017)
DS554:US – Certain Measures on Steel and Aluminum Products (June 29, 2018)	Russia believes that in autumn 2018 US introduced measures on steel and aluminum products in violation of GATT 1994 and Agreement on Safeguards: US granted favorable terms on discriminatory basis, introduced measures on importation by means of quotas in addition to duties, taxes or other levies, failed to justify extraordinary measures and notify in writing within shortest time limits possible and dodged consultations.	Work of Panel (January 25, 2019)

<sup>1</sup> The updated table. See URL: <https://www.iep.ru/files/text/trends/2019/04.pdf>

<sup>2</sup> Specified in brackets is the date of request for consultations

Dispute	Subject of Dispute	Current Status (as of year-end 2020)
DS586: Russia – Anti-Dumping Measures on Carbon Quality Steel from Russia (US, July 05, 2019)	Russia believes that US failed to calculate correctly fair value and dumping margin for all known exporters and producers, as well as cost of production of goods at dispute, substantiate properly need of further administration of measures and terminate them; on contrary, US expanded range of measures and refused to rely on data from Russian exporters.	In consultations (July 05, 2019)
<i>As respondent</i>		
DS462: Russia – Recycling Fee on Motor Vehicles (EU, July 09, 2013)	Additional payments (recycling fee) on imported motor vehicles, while domestic motor vehicles are exempted from them subject to certain conditions. In calculating fee, there is great difference in fee size for new and used vehicles.	Selection of panelists (November 25, 2013). Dispute inactive
DS463: Russia – Recycling Fee on Motor Vehicles (Japan, July 24, 2013)	Additional payments (recycling fee) on imported motor vehicles, while domestic motor vehicles are exempted from them subject to certain conditions.	In consultations (July 24, 2013). Dispute inactive
DS475: Russia – Measures on Importation of Live Pigs, Pork and Other Pig Products (EU, April 08, 2014)	Prohibition on importation of live pigs, pork and pork products from EU is disproportionate measure because there were just few insignificant cases of wild hogs' contamination with African Swine Fever in areas close to border with Belarus and situation was promptly localized. EU challenges that Russia carries out regionalization of territory .	Dispute suspended (January 28, 2020). Panel on verification of compliance with DSB's recommendations suspended its work at EU's request. Panel's authorities expired on January 28, 2021.
DS479: Russia – Anti-Dumping Duties on Light Commercial Vehicles from Germany and Italy (EU, 21.05.2014)	Russia's procedure for carrying out anti-dumping investigations and determination of dumping margin on light commercial vehicles is in conflict with WTO regulations in establishing fact of dumping and injury, evidence, definition of industry, public notice and substantiation of decisions.	Respondent complied with DSB's recommendations (measures revoked) (June 20, 2018).
DS485: Russia – Tariff Treatment on Agricultural and Manufacturing Products (EU, October 31, 2014)	In case of paper and paperboard, Russia applies duties of 15% or 10% which are in excess of bound level of 5%. In case of other goods where customs value is below certain level duties are charged above bound rate.	Respondent complied with DSB's recommendations (June 08, 2017). Panel rejected claims of systemic violation by Russia of its WTO obligations on import tariffs.
DS499: Russia – Measures Affecting Importation of Railway Equipment and Parts Thereof (Ukraine, October 21, 2015)	Russia suspends certificates of conformity issued to producers of railway parts and rolling stock before new technical regulations were introduced and turns down applications for new certificates to be issued.	Respondent implements DSB's recommendations (05.03.2020). Ukraine requested from Russia explanation of requirements which Ukrainian suppliers have to comply with in order to receive certificate of conformity (March 23, 2020)

<b>Dispute</b>	<b>Subject of Dispute</b>	<b>Current Status (as of year-end 2020)</b>
DS512: Russia – Measures Concerning Traffic in Transit (Ukraine, September 14, 2016)	International freight traffic in transit by road and rail from Ukraine to Kazakhstan or Kirgizia via Russian Federation should be carried out only from Belarus under certain conditions. Ban on traffic in transit of goods on which tariff rates are not equal to zero and which are under embargo.	Reports adopted, no further actions required (April 26, 2019)
DS532: Russia – Measures Concerning Importation and Transit of Certain Ukrainian Products (Ukraine, October 13, 2017)	Russia took measures to restrict imports and transit of juice, beer, confectionary and wallpaper of Ukrainian origin via its territory to third countries. Exports of such Ukrainian products to Russia dramatically decreased and as regards some items fell to zero level.	In consultations (October 13, 2017)
DS566: Russia – Additional Duties on Certain Products from US (USA, August 27, 2017)	In August 2018, Russia increased import duties on some types of freight, road-building equipment, oil and gas equipment, metalworking equipment and rock boring machines, as well as optic fiber (25%, 30% and 40% depending on goods). US believes that these measures violate GATT 1994 because Russia does not impose such duties on similar products from other WTO member-states and grants US less favorable treatment.	Work of Panel (January 25, 2019). Panel's report is expected in H2 2021.

Source: based on the data of the WTO official website: URL: [https://www.wto.org/english/tratop\\_e/dispu\\_e/dispu\\_by\\_country\\_e.htm](https://www.wto.org/english/tratop_e/dispu_e/dispu_by_country_e.htm).

Table P.2

### WTO disputes which Russia joined as the third party<sup>1</sup>

<b>Subject</b>	<b>Disputes</b>
Prohibition or import restrictions (for ecological or other reasons)	DS400, DS401, DS469, DS484, DS495, DS524, DS531, DS537, DS576
Countervailing investigations and safeguard measures (anti-dumping, countervailing and safeguard)	DS414, DS437, DS449, DS454, DS468, DS471, DS473, DS480, DS488, DS490, DS496, DS513, DS516, DS518, DS523, DS529, DS533, DS534, DS536, DS538, DS539, DS544, DS545, DS546, DS547, DS548, DS550, DS551, DS552, DS553, DS556, DS562, DS564, DS573, DS577, DS578, DS591
Export restrictions	DS431, DS432, DS433, DS508, DS509, DS541, DS590
Intellectual property rights	DS441, DS458, DS467, DS542, DS567
Subsidies (including tax and other rebates) and localization requirements	DS502, DS456, DS472, DS487, DS497, DS489, DS510, DS511, DS522, DS579, DS580, DS581, DS583, DS593, DS595
Tariffs and tariff quotas	DS492, DS517, DS557, DS558, DS559, DS560, DS543, DS561, DS585, DS582, DS584, DS588
Trade and economic sanctions	DS526

Source: based on the article by Bayeva M.A. (2015). WTO Trade Disputes which Russia Participated in and Dispute Settlement Mechanism // The Russian Foreign Trade Bulletin, Issue No.3. pp. 75–90.

<sup>1</sup> The updated table. See: URL: <https://www.iep.ru/files/text/trends/2019/04.pdf>

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